

Statistics of Income

SOI BULLETIN



Department of the Treasury
Internal Revenue Service

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Statistics of Income

SOI BULLETIN

Department of the Treasury
Internal Revenue Service

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The SOI Bulletin provides the earliest published annual financial statistics from various types of tax and information returns filed with the Internal Revenue Service. It also includes information from periodic or special analytical studies of particular interest to tax administrators. In addition, historical data are provided for selected types of taxpayers, as well as the gross internal revenue collections and other tax related items.

Information on the availability of additional unpublished data concerning the topics in this issue may be obtained by writing to the Statistics of Income Division R:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608.

In addition, special Statistics of Income tabulations based on income tax returns can be produced upon request on a reimbursable basis. Requests for this service should be addressed to the Director, Statistics of Income Division, at the address shown above.

Robert Wilson, Beth Kilss and Bettye Jamerson of the Statistics of Income Division were the technical editors. Special assistance on the copy preparation and review of the manuscript was provided by Clementine Brittain, James Hobbs, John Glynn and James Willis. Paul Arnsberger and Ruth Schwartz also assisted in the table preparation. Any views expressed in the articles are those of the authors and do not necessarily represent the views of the Treasury Department.

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By Edward B. Gross, Jr.

For Tax Year 1990, adjusted gross income (AGI) reported on the 113.8 million individual income tax returns filed was more than \$3.4 trillion. This represented an increase of 4.3 percent over the 1989 preliminary estimates, which showed AGI at slightly less than \$3.3 trillion. Total income tax rose to \$451.4 billion, up 2.7 percent from 1989. For taxpayers as a whole, income tax as a percentage of AGI decreased slightly from 13.4 percent to 13.2 percent.

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By Randy Miller

For 1989, U.S. source income paid to foreign persons rose nearly 73 percent to over \$55 billion. U.S. tax withheld rose by only 15 percent, to nearly \$2 billion. The United Kingdom was the largest recipient of this income with \$13.6 billion, a 181 percent increase over 1988. Payments to Japanese recipients, the largest recipient group in 1987 and 1988, rose to \$13.1 billion, an increase of 56 percent from 1988. Interest payments of \$33 billion accounted for 60 percent of total U.S. source income paid to foreign persons, up 5 percent from 1988. Dividends accounted for 67 percent of all U.S. tax withheld.

Foreign Corporations with Income Effectively Connected with a U.S. Business, 1988	39
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By James R. Hobbs

For 1988, there were 9,921 "foreign" corporations that reported \$77 billion of receipts generated from activities "effectively connected" with a U.S. trade or business. Overall, these companies reported net income (less deficit) of only \$2.6 million from these activities. However, this was the first time in recent years that this amount was not a net loss. Foreign corporations with U.S. effectively connected income were largely involved in finance, insurance and real estate activities. This division alone accounted for 83 percent of the total receipts, with only 272 banks actually generating 66 percent of the \$77 billion of total receipts reported by all foreign corporations. Japanese companies accounted for \$27 billion in total receipts, the largest amount of any country. Canadian companies were second.

Nonresident Alien Estates, 1986	51
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By DeWitt Long

Estate tax returns were filed for the estates of 161 nonresident alien decedents who died during 1986. Total gross U.S. estate of \$62.0 million and total U.S. estate tax after credits of \$6.5 million were reported for these decedents. Stocks and bonds, and real estate and mortgages, constituted the largest categories of property in gross U.S. estate, accounting for 44.8 percent and 33.4 percent, respectively, of the total.

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STATISTICS OF INCOME DIVISION PUBLICATIONS AND TAPES

Statistical Information Services
(202) 874-0410
FAX (202) 874-0922

The following *Statistics of Income* (SOI) reports and tapes can be purchased from the Statistics of Income Division (unless otherwise indicated). Prepayment is required, with checks made payable to the IRS Accounting Section. For copies from the Statistics of Income Division, please write:

Director, Statistics of Income Division (R:S)
Internal Revenue Service
P. O. Box 2608
Washington, DC 20013-2608.

BUSINESS SOURCE BOOKS:

- ***Corporation Source Book, 1988, Publication I053 -- Price \$175.00***

This 481-page document presents detailed income statement, balance sheet, tax and selected items, by major and minor industries and size of total assets. The report, which underlies the *Statistics of Income--Corporation Income Tax Returns* publication, is part of an annual series and can be purchased for \$175 (issues prior to 1982 are for sale at \$150 per year). A magnetic tape containing the tabular statistics for 1988 can be purchased for \$1,500.

- ***Partnership Source Book, 1957-1983, Publication I289 -- Price \$30.00***

This 291-page document shows key partnership data, for 1957 through 1983, by major and minor industries. It includes a historical definition of terms section and a summary of legislative changes affecting the comparability of partnership data during that period. Tables show:

- | | | |
|--------------------------|----------------------------|---------------------------|
| o Number of partnerships | o Depreciation | o Payroll deductions |
| o Number of partners | o Taxes paid deductions | o Payments to partners |
| o Business receipts | o Interest paid deductions | o Net income less deficit |

(A magnetic tape containing the tabular statistics for partnerships can be purchased for \$300 from the National Technical Information Service, U.S. Department of Commerce, Springfield, VA 22161.) More recent partnership data are published annually in the *SOI Bulletin*.

- ***Sole Proprietorship Source Book, 1957-1984, Publication I323 -- Price \$95.00***

This *Source Book* is a companion to that for partnerships, described above. It is a 251-page document showing key proprietorship data for 1957 through 1984; data for farm proprietorships are excluded after 1981. Each page presents statistics for a particular industry. Tables show:

- | | | |
|------------------------|----------------------------|---------------------------|
| o Number of businesses | o Taxes paid deductions | o Payroll deductions |
| o Business receipts | o Interest paid deductions | o Net income less deficit |
| o Depreciation | | |

STATISTICS OF INCOME DIVISION

PUBLICATIONS AND TAPES

A magnetic tape containing the tabular statistics can be purchased for \$245. As with partnerships, more recent (nonfarm) sole proprietorship data are published annually in the *SOI Bulletin*.

COMPENDIUMS:

- ***Studies of Tax-Exempt Organizations, 1974-1987, Publication 1416 -- Price \$26.00***

This publication presents 22 articles from *Statistics of Income* studies on tax-exempt organizations. The articles emphasize important issues within the nonprofit sector, and also include several other articles previously unpublished in the *SOI Bulletin*, as well as papers published in proceedings of the American Statistical Association and the Independent Sector Research Forum. Topics featured are:

- o Nonprofit charitable organizations (primarily charitable, religious, educational and health organizations)
- o Private foundations and charitable trusts
- o Unrelated business income of exempt organizations

- ***Studies of International Income and Taxes, 1984-1988, Publication 1267 -- Price \$26.00***

This report presents information from 13 *Statistics of Income* studies in the international area (many of them previously published in the *SOI Bulletin*), including:

- o Foreign activity of U.S. corporations
- o Activity of foreign corporations in the United States
- o Foreign controlled U. S. corporations
- o Statistics related to individuals, trusts and estates
- o Data presented by--
 - geographical area or industrial activity, as well as other classifiers

- ***Partnership Returns, 1978-1982, Publication 369 -- Price \$22.00***

This report presents previously unpublished *Statistics of Income* data for 1980, 1981 and 1982, as well as data previously issued in the *SOI Bulletin* and in other publications. Features include:

- o Number of partnerships
- o Limited partnerships
- o Receipts
- o Cost of sales and operations
- o Deductions
- o Net income
- o Capital gains
- o Data presented by--
 - industry
 - size of total assets
 - State
 - number of partners

REIMBURSABLE SERVICES (prices dependent on the request):

- **Public Use Magnetic Tape Microdata Files**

This includes individual income tax returns for 1978-1988. (Individual income tax returns for 1966-1977 are available from the Center for Electronic Records (NNX) of the National Archives)

STATISTICS OF INCOME DIVISION

PUBLICATIONS AND TAPES

and Records Administration, Washington, DC 20408.) Files containing more limited data for each State are also available for 1985. All of these files have been edited to protect the confidentiality of individual taxpayers. Files for private foundations for 1982-1983 and 1985-1988 and nonprofit charitable organizations for 1982-1983 and 1985-1987 are also available from the Statistics of Income Division. The individual, private foundation and charitable organization files are the only microdata files that can be released to the public.

- **Migration Data**

Compilations are available showing migration patterns, from where to where, by State and county, based on year-to-year changes in the tax return address. Data are also available for selected time periods (according to the years in which returns were filed) between 1978 and 1988 and include counts of the number of individual income tax returns and personal exemptions. In addition, county income totals are available for Income Years 1982 and 1984 through 1987.

- **Other Unpublished Tabulations**

Unpublished tabulations are also available, including detailed tables underlying those published in the *SOI Bulletin*. Special tabulations may also be produced, depending on the availability of SOI computer programming resources.

OTHER PUBLICATIONS:

The following *Statistics of Income* publications are available from the Superintendent of Documents, U.S. Government Printing Office. For copies write:

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402.

- ***Statistics of Income (SOI) Bulletin (Quarterly), Publication 1136***
Stock Number 748-005-00000-5 -- Subscription price, \$20.00; Single copy price, \$7.50

Provides the earliest published financial statistics from individual and corporation income tax returns. The *Bulletin* also includes annual data on nonfarm sole proprietorships and on partnerships, as well as from periodic or special studies of particular interest to tax analysts and administrators and to economists. Historical tables include data from *SOI*, as well as on tax collections and refunds by type of tax.

- ***Statistics of Income--1988, Corporation Income Tax Returns, Publication 16***
Stock Number 048-004-02308-3 -- Price \$11.00

This report presents more comprehensive and complete data on corporation income tax returns with accounting periods ended July 1987 through June 1988, than those published earlier in the *SOI Bulletin*.

STATISTICS OF INCOME DIVISION

PUBLICATIONS AND TAPES

Presents information on--

- o Receipts
- o Deductions
- o Net income
- o Taxable income
- o Income tax

- o Tax credits
- o Assets
- o Liabilities

Data classified by--

- industry
- accounting period
- size of total assets
- size of business receipts

- **Statistics of Income--1988, Individual Income Tax Returns, Publication 1304**
Stock number 048-004-02306-7 -- Price \$9.50

This report presents more comprehensive and complete data on individual income tax returns for 1988 than those published earlier in the *SOI Bulletin*.

Presents information on--

- o Sources of income
- o Exemptions
- o Itemized deductions
- o Tax computations

Data presented by--

- size of adjusted gross income
- marital status

NOTE: If you determine from the Government Printing Office that any of the Statistics of Income publications listed above are out-of-print, please telephone Statistical Information Services, Statistics of Income Division, (202) 874-0410, for assistance.

STATISTICS OF INCOME PROJECTS AND CONTACTS

General Statistical Information (202) 874-0410 • Fax (202) 874-0922

PROJECT	PRIMARY ANALYSTS	FREQUENCY AND PROGRAM CONTENT
Americans Living Aboard: 1991 Program	Melissa Redmiles	This periodic study is conducted every 4 years (every 5 years after 1991). It covers foreign income and taxes paid, and foreign tax credit shown on individual income tax returns. Data are classified by adjusted gross income (AGI) and country.
Corporation Foreign Tax Credit: 1988 Program 1990 Program 1991 Program	Karla Daronco Maggie Lewis Karla Daronco	This annual study, provides data on foreign income and taxes paid, and foreign tax credit shown on corporation income tax returns. Data are classified by industry (all years) and country (even numbered years).
Corporation Income Tax Returns: 1989 Program 1990 Program 1991 Program	Victor Rehula Karen Gutmann Patrice Treubert Allison Clark	Basic SOI program data are produced annually and cover complete income statement, balance sheet, tax and tax credits, and details from supporting schedules. Data are classified chiefly by industry group or asset size.
Environmental Excise Taxes (Superfund) Study: 1990 Program 1991 Program	Susan Mahler	The Superfund Amendments and Reauthorization Act of 1986 (SARA) replaced the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) authorizing the collection of environmental taxes, a type of excise tax. This study, published annually, is the only source of data that provides detailed tabulations by type of chemical. Beginning with 1990, this program will also include data on ozone depleting chemicals.
Estate Collation	Barry Johnson	This periodic study links estate data for decedents and beneficiaries. Income information for beneficiaries is available both for years preceding and following the decedent's death. Information on gift tax returns is available for the last 2 years of the decedent's life. The most recent study is based on decedents who died in 1982. The next study will be for decedents who died in 1989.
Estate Tax Returns: 1989-1991 Program	Barry Johnson Marvin Schwartz Janet McCubbin	This annual study includes information on gross estate and its composition, deductions, and tax; and information on the age, sex, and marital status of the decedents. Basic estate tax return data by year in which returns are filed are produced every year. Other statistics are available on a year-of-death basis (approximately every 3 years).
Exempt Organizations Business Income Tax Returns: 1989 Program	Sara Boroshok Peggy Riley	This annual study includes tabulations of "unrelated business" income and deductions. The data file will also be linked with the Forms 990 and 990-PF data files of the tax-exempt organizations and private foundations.

STATISTICS OF INCOME PROJECTS AND CONTACTS

General Statistical Information
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PROJECT	PRIMARY ANALYSTS	FREQUENCY AND PROGRAM CONTENT
Foreign Corporations: 1988 Program 1990 Program	Bill States	This periodic study, planned for every 2 years, provides data on activities of foreign corporations that are controlled by U.S. corporations. Data are classified by industry and country.
Foreign Controlled Corporations: 1988 Program 1989 Program 1990 Program	John Latzy	This annual study includes data on transactions between U.S. corporations and their foreign owners. Data are classified by country and industry.
Foreign Recipients of U.S. Income: 1990 Program	Randy Miller	This annual study provides data by country on income paid to nonresident aliens and the amount of tax withheld for the U.S. Government.
Foreign Sales Corporations (FSC): 1991 Program	John Bradford	These corporations replaced the Domestic International Sales Corporation, or DISC, as of January 1, 1985. Balance sheet, income statement, and export-related data are tabulated annually through 1987, and then on a 4-year cycle.
Foreign Trusts: 1990 Program	Christine Ferguson	This periodic study, conducted every 4 years, provides data on foreign trusts that have U. S. persons as grantors, transferors, or beneficiaries. Data include country where trust was created, the value of transfer to the trusts, and the year the trust was created.
Individual Income Tax Return Public Use File	Mario Fernandez	Microdata magnetic tape files, produced annually, contain detailed information obtained from the individual SOI program, with identifiable taxpayer information omitted to make the file available for public dissemination, on a reimbursable basis. (In addition to microdata files, specific tabulations from them are produced, also on a reimbursable basis.)
Individual Income Tax Returns: 1989 Program 1990 Program	Michael Strudler	Basic SOI program data are produced annually and cover income, deductions, tax, and credits reported on individual income tax returns and associated schedules, chiefly by size of adjusted gross income.
Interest-Charge Domestic International Sales Corporations (IC-DISC): 1991 Program	Kimberly Veletto	These corporations replaced the Domestic International Sales Corporation, or DISC, as of January 1, 1985. Balance sheet, income statement, and export-related data are tabulated annually through 1987, and then on a 4-year cycle.
Intergenerational Wealth	Martha Eller Barry Johnson Marvin Schwartz Janet McCubbin	This on-going study involves estate returns filed since the inception of the estate tax (1916), and focuses on changes in the concentration of wealth and the intergenerational transfer of wealth, as well as the history of the estate tax system. The asset composition, available demographic information, and an analysis of beneficiaries of estates will be emphasized.

STATISTICS OF INCOME PROJECTS AND CONTACTS

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PROJECT	PRIMARY ANALYSTS	FREQUENCY AND PROGRAM CONTENT
International Boycott Participation: 1990 Program 1991 Program	Melissa Redmiles	This study, planned for every 4 years, provides data on business operations of U. S. persons in boycotting countries, as well as the requests and agreements to participate in, or cooperate with, international boycotts not sanctioned by the U.S. Government.
Nonprofit Charitable Organizations: 1988 Program 1989 Program	Cecelia Hilgert Paul Arnsberger	This annual study includes balance sheet and income statement data for organizations classified as tax-exempt under subsections 501(c)(3)-(9) of the Internal Revenue Code. The 1989 study will include data from the new Form 990-EZ. A compendium of previously published SOI articles on tax-exempt organizations was published in July 1991.
Nonresident Alien Estates: 1990 Program	Christine Ferguson	This periodic study, planned for every 4 years, provides data on estates of nonresident aliens who had more than \$60,000 of assets in the United States. The estates are subject to U.S. estate taxation on U.S. property.
Occupation Studies	Bobby Clark	This periodic study, based on availability of outside funding, is designed to classify individual income tax returns by occupation and to develop a dictionary of occupation titles that can be used to enhance the economic data of many other individual income tax return studies.
Partnership Returns of Income: 1989 Program 1990 Program	Tim Wheeler	Basic SOI program data, produced annually, cover income statement, balance sheet, and details from supporting schedules. Data are classified chiefly by industry group.
Partnership Withholding Study 1990 Program	Kimberly Veletto	This annual study includes data on U.S. partnership payments to foreign partners. Data are classified by country and recipient type.
Personal Wealth Study: 1986 Program 1989 Program	Marvin Schwartz Barry Johnson Janet McCubbin	This periodic study provides data estimates of personal wealth of top wealthholders that are generated from estate tax return data using the "estate multiplier" technique, in conjunction with both filing-year and year-of-death estate data bases. The most recent data (1986) are based on returns filed from 1986 to 1988. The next study will be preliminary 1989 data based on returns filed in 1989 and 1990.
Private Foundation: 1988 Program 1989 Program	Alicia Meckstroth Peggy Riley	This annual study includes balance sheets and income statements. A compendium of previously published SOI articles on tax-exempt organizations was published in July 1991. The 1989 Study will include data on non-exempt charitable trusts.
Sales of Capital Assets: 1985 Program 1985-89 Panel Study	Stephanie Alvord Janette Bradbury	This periodic study, to be conducted every 4 years, provides detailed data on the sales of capital assets reported on Schedule D, of the individual income tax return, sales of residences and personal or depreciable business property.

STATISTICS OF INCOME PROJECTS AND CONTACTS

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PROJECT	PRIMARY ANALYSTS	FREQUENCY AND PROGRAM CONTENT
Sales of Capital Assets: (continued)		A Panel Study provides the same data on capital asset transactions for a subsample of the returns in the Sales of Capital Assets basic study, but data for these same taxpayers are obtained over a 5-year period.
Sales of U.S. Real Property Interests by Foreign Persons: 1990 Program	John Latzy	This annual study will provide data on transfers of U.S. real property interests, when these interests are acquired from foreign persons. Data will include the amount realized on transfers, U.S. tax withheld, and the country of foreign persons.
Secretary's Percentage, Foreign Life Insurance Companies	David Steigerwald	This annual study includes data for computation of the percentage used in determining the income tax liability of foreign life insurance companies with operations in the United States.
Sole Proprietorships: 1989 Program 1990 Program	Ed Gross	Basic SOI program data, produced annually, cover the business receipts, deductions, and net income reported on Schedule C (for nonfarm proprietors), by industry group. Similar data from Schedule F (for farmers) are available on an occasional basis.
State Data: 1985 Program 1988 Program	Mario Fernandez	Special tabulations of selected individual income, deduction, and tax data by State are produced on a reimbursable basis. (The data file for 1988 is now available.)
Statistical Subscription Services: Corporation Source Book	Sandy Byberg	Annual data by more detailed industry groups than are used for regular corporation statistics are produced by asset size.
Migration Flow and County Income Data	Sandy Byberg	Migration flow data (based on changes in individual income tax return addresses) and county or State income data are available annually on a reimbursable basis.
Tax-exempt Bond Issues: 1988 Program 1989 Program	Marvin Schwartz	This annual study provides information on private activity and governmental bond issues by type of property financed, size of face amount and State.
Taxpayer Usage Study: 1991 Program	Laura Prizzi	Basic SOI program data, produced annually, provide weekly frequencies of specific line entries made by taxpayers, the use of various return schedules and associated forms, and general characteristics of the individual taxpayer population for returns received during the primary filing season (January through April).
U.S. Possessions Corporations: 1989 Program	John Bradford	This periodic study, planned for every 2 years, provides data on income statement, balance sheet, tax, and "possessions tax credit" data for "qualifying" U. S. possessions corporations. (Most of these corporations are located in Puerto Rico.)

SOI Bulletin Board

SOME OBSERVATIONS AND INSIGHTS

This spring, the "Bulletin Board" has a customer service focus, as we seek to continually improve the information services that we provide to the rest of the Internal Revenue Service and the outside community of Statistics of Income (SOI) data users. Feedback from our users indicates that they want more data and sooner. So, once again, we would like to use this column to bring you up-to-date on some ongoing efforts to improve the timeliness of our statistics.

As you may recall, recent initiatives to speed the data to you have included, for example, the addition of a "Data Release" section in the *Bulletin* (beginning with the Summer 1991 issue), which provides our customers access to statistical tables as soon as possible, instead of waiting to include them later on with the usual accompanying article. Another recent development was the introduction of a listing of expected release dates for statistics during the coming year. This, too, will be a regular feature of the *Bulletin*, beginning with the Fall 1991 issue, and will appear at least annually.

While measures such as these bring the data to the user sooner, we have continued to seek additional ways to provide our customers with access to the income and tax statistics and other information, as they become available. After all, the use of the *Bulletin* as a vehicle for disseminating data is still a quarterly, albeit more timely, publication. Thus, one of our goals is to make all of our *Bulletin* tables, as well as selected tables from other SOI publications, accessible in a data base form ahead of the *Bulletin* in which they would normally appear. To that end, we are very excited about work already underway to set up an SOI electronic

bulletin board. The remainder of this column provides a brief summary of the developments of this system to-date.

Electronic Bulletin Board

The planning and developing of an electronic bulletin board for SOI began several months ago. The bulletin board will be used to make available to the general research community public-use aggregated data files, in an electronic medium via computer systems and telephone lines. Having access to the information electronically will make it possible for our users to manipulate the aggregated data themselves.

Initially, a prototype bulletin board system will be set up within the next few months, in order to gauge our longer-term requirements for computer hardware and software. Based on our initial hardware and software limitations, we have tentatively identified certain table files that will be put on the system. The subject areas covered by these table files will include individuals, nonfarm sole proprietorships, corporations, partnerships, foreign-controlled domestic corporations, nonprofit charitable organizations, private foundations, tax-exempt organization business income, estates, personal wealth, and some non-SOI information about collections, refunds, excise taxes, and taxpayer assistance. The data will be for the most recent years available and will include selected historical series, as well.

Currently, we expect to have the prototype system in place before the Summer issue of the *Bulletin* comes out. In any case, we will keep you posted on these developments and will be notifying you about how to access this electronic data base as soon as it is implemented. As always, we welcome your suggestions on how

we may improve our services to you. Please feel free to give us a call, on (202) 874-0410; we will be especially interested in knowing what kinds of additional information you would like to see accessible through this medium.

BEHIND THE SCENES

Over the past year or so, we have tried to introduce some of the players who have had important roles in improving the quality of data for our users. In the subject areas, we have focused on the Corporation Advanced Data Systems (CADS) team and the Prototype Individual SOI Modernization (PRISM) team; in the cross-functional areas, we have highlighted the Coordination and Publications (C&P) Branch's Statistical Information Services team, the Technical team and the Distributed Processing System (DPS) team. All five of these groups are integral parts of the Division's long-range efforts to become a Total Quality Organization.

Another staff that is playing a somewhat different role is the C&P's **Statistical Support** team, headed by MARY BATCHER. Unlike most of the C&P Branch, which focuses on providing support to all of the other functional areas of the Division, the Statistical Support group's customers are both from within and outside SOI -- Congressional staffs, the media and the general public, as well as the Service, itself. With regard to the rest of IRS, this relatively new team performs a liaison function, providing statistical services to:

- Taxpayer Service Division, where they have been deeply involved in efforts to improve IRS responses to taxpayer telephone inquiries;
- Returns Processing and Ac-

counting Division, where they have provided statistical support for ongoing quality measurement projects;

- Information Systems Development (ISD), where they have been asked to help with a new Service-wide effort to establish automated telephone information systems; and
- Statistics of Income Division, where they provide statistical support for PRISM and other on-line quality efforts; tax forms improvement studies, underway with the assistance of the Bureau of Labor Statistics' (BLS) cognitive laboratory; and other special assignments.

Through these projects, the team often ends up working directly with the service centers and district offices of IRS, as well.

The staff, which officially came into being about a year ago, is comprised of relative newcomers to the Division. Its functions have grown quite rapidly, as other areas of IRS have become aware of the valuable support it can provide. The team is comprised primarily of mathematical statisticians and economists -- both experienced researchers and a few recent college graduates. The statistical support provided to Taxpayer Service comes primarily from ROBIN LEE and JONATHAN DANIELS, who are responsible for the sample design and estimation procedures for the Integrated Test Call Survey System that assesses the accuracy of the telephone assistants' responses to inquiries from the public; and GLENN WHITE, who is helping to redesign their quality review system. Glenn is also involved with ISD, in their effort to develop an automated telephone information service. Statistical support for Returns Processing and Accounting

Division comes primarily from WENDY ROTZ, who is involved with the development of IRS service center quality measures for the Program Analysis System; and BEN WALKER, who coordinates our relationship with the BLS' cognitive lab, in an effort to improve SOI forms for use in the field. Finally, in SOI, NANCY COLLINS provides statistical support for the design and implementation of our on-line quality systems in the Individual Statistics Branch; NAT SHAIFFER is involved in special assignments involving use of desktop publishing; and ERIC FALK, the newest member of the staff, has begun to work on a new taxpayer burden reduction project. Clerical support for the team is provided by JEFFERI BASS.

YOUR CALL

It is the obligation of IRS statisticians -- indeed, of all statisticians -- to present statistics to their users in an unbiased manner, replete with definitions of terms, concepts and classifications, while owning up to the limitations of the data being offered. We feel users, too, have similar obligations when they use the statistical information, especially if they reinterpret the data for others. That not all of them live up to their obligations is reflected in statements and misstatements we see or read about, all seemingly blessed by statistics. This misuse unfairly raises doubts about the statistics, themselves, giving credence to the old adage about there being lies, damn lies and statistics.

To cite one flagrant example, recently, several prominent newspapers published charts based on Statistics of Income data, depicting the alternative minimum tax (AMT) on individuals, before and after the Tax Reform Act of 1986. Since the tax has been declining, the title of this chart concluded that

"fewer rich are paying the minimum" and, by inference, that tax avoidance by the affluent was rampant, in contradiction to the intent of the 1986 Act. Thanks to this "gee whiz" graph, letters were directed to the Internal Revenue Service and to congressmen (who referred at least some of them to IRS for reply) by outraged citizens, calling attention to this alleged "flagrant injustice to the middle class," to quote just one. (And, we were the ones called upon to draft the replies.) What the press failed to remind their readers was that while the AMT was a tax on "tax preferences" used mainly by the wealthy, most of the "preferences" on which the tax was imposed were rescinded in 1986. As a result, even though the AMT tax rate increased, the total AMT declined, an outcome clearly forecast when the Act was passed.

UPCOMING FEATURES

The following are some of the articles planned for inclusion in upcoming issues of the *SOI Bulletin*:

- Partnerships, 1990;
- Partnerships, Partners and Tax Shelters, 1987-1990;
- Average and Marginal Tax Rates, 1988-1989;
- Corporate Foreign Tax Credit, 1988;
- Foreign Corporations Controlled by U.S. Corporations, 1988; and
- Tax-exempt Organizations, 1988.

An upcoming feature of our "Data Release" section will present tables on sole proprietorships for 1990. These tables will be followed by a feature article on this subject in a subsequent issue of the *Bulletin*.

Individual Income Tax Returns, Preliminary Data, 1990

By Edward B. Gross, Jr.*

Nearly 114 million U.S. individual income tax returns were filed for Tax Year 1990, reporting more than \$3.4 trillion in adjusted gross income. This amount represented an increase of 4.3 percent over 1989, when adjusted gross income was slightly less than \$3.3 trillion. Total income tax, \$439.4 billion for 1989, rose by 2.7 percent to \$451.4 billion for 1990.

The dollar amounts for most income and tax items changed by less than 10 percent (positively or negatively) for 1990. Three income items, however, showed larger changes: taxable social security benefits rose 13.5 percent, to nearly \$20.0 billion; net capital gains declined by 21.4 percent, to \$119.3 billion; and unemployment compensation rose 28.6 percent, to an all-time high of \$15.6 billion.

The comparisons presented in this article between data for Tax Years 1990 and 1989 are based on preliminary estimates. A few income and tax items tend to be understated in preliminary estimates. Therefore, comparisons based on preliminary estimates from one year and final data from previous years could be misleading. Comparisons based entirely on preliminary estimates, however, reduce the likelihood of misinterpretation of the data and provide more accurate measures of year-to-year change. Final statistics for Tax Year 1989

are available in the historical tables at the end of this issue of the *Bulletin*.

ADJUSTED GROSS INCOME, TAXABLE INCOME, AND TOTAL INCOME TAX

Adjusted gross income (AGI) less deficit grew more rapidly for 1990 than taxable income and total income tax. AGI (less deficit) rose 4.3 percent, while taxable income increased 3.7 percent, and total income tax gained 2.7 percent (Figure A). The relatively small percentage increase in taxable income, as compared to AGI, was a direct result of the large increase in total deductions and the moderate rise in total personal exemptions (see Deductions below for details).

Average AGI equaled \$30,158 for 1990, an increase of \$844 over 1989. Average taxable income decreased \$688 to \$24,437, while mean total income tax rose \$101 per taxable return, reaching \$5,015 [1].

Total income tax amounted to 13.2 percent of AGI for 1990, down slightly from the 13.4 percent recorded for 1989 (Figure B). Similarly, the average tax rates (i.e., total income tax as a percentage of AGI) decreased for all but

Figure A.--Adjusted Gross Income, Taxable Income, and Total Income Tax, Tax Years 1989 and 1990

(Number of returns are in thousands--money amounts are in millions of dollars)

Item	1989 (preliminary)		1990 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Adjusted gross income (less deficit).....	112,280	\$3,291,413	113,799	\$3,431,906	4.3%
Taxable income.....	92,581	2,198,730	93,336	2,280,920	3.7
Total income tax.....	89,422	439,427	90,012	451,425	2.7
Alternative minimum tax.....	107	651	119	617	-5.2

* Individual Returns Analysis Section. Prepared under the direction of Jeff Hartzok, Chief.

Individual Returns, 1990

Figure B.--Number of Returns, Adjusted Gross Income, and Total Income Tax, by Size of Adjusted Gross Income, Tax Years 1989 and 1990

[Number of returns are in thousands--money amounts are in millions of dollars]

Tax year, item	Total	Size of adjusted gross income									
		Under \$1	\$1 under \$10,000	\$10,000 under \$20,000	\$20,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Tax Year 1990 (preliminary):											
Number of returns.....	113,799	799	31,480	25,507	17,429	21,123	14,281	2,329	653	133	64
Adjusted gross income (less deficit).....	\$3,431,906	\$-33,272	\$153,682	\$375,522	\$429,965	\$821,266	\$940,565	\$305,813	\$190,873	\$89,284	\$158,208
Total income tax.....	451,425	41	3,861	22,894	39,011	90,128	132,297	58,125	44,413	21,674	38,980
Tax as a percentage of adjusted gross income (less deficit).....	13.2%	(¹)	2.5%	6.1%	9.1%	11.0%	14.1%	19.0%	23.3%	24.3%	24.6%
Tax Year 1989 (preliminary):											
Number of returns.....	112,280	722	31,795	26,110	17,011	20,714	13,023	2,097	626	121	62
Adjusted gross income (less deficit).....	\$3,291,413	\$-30,505	\$153,655	\$383,293	\$419,729	\$804,609	\$857,974	\$277,814	\$183,081	\$82,342	\$159,422
Total income tax.....	439,427	50	4,123	24,686	39,113	89,716	124,416	55,092	42,861	19,996	39,373
Tax as a percentage of adjusted gross income (less deficit).....	13.4%	(¹)	2.7%	6.4%	9.3%	11.2%	14.5%	19.8%	23.4%	24.3%	24.7%

¹ Less than 0.05 percent.

Note: Detail may not add to totals because of rounding.

one income class during 1990. The lower tax rates were primarily attributable to the inflation indexing of exemption and standard deduction amounts (see Deductions below for details), as well as the income tax brackets.

The highest average tax rate among the AGI size classes for 1990 was 24.6 percent, for the 63,642 tax returns with \$1 million dollars or more of AGI. In contrast, the lowest average tax rate was 2.5 percent, for the 31.5 million returns which reported AGI between \$1 and \$10,000.

SELECTED SOURCES OF INCOME

The major sources of income (or loss) which constituted AGI for 1990 and 1989 are compared in Figure C. Statutory adjustments, which had a significant effect on AGI, are not included in Figure C (see Statutory Adjustments, below).

"Total positive income," composed solely of positive income entries for line items on the individual tax returns,

Figure C.--Comparison of Selected Sources of Adjusted Gross Income (Less Deficit), Tax Years 1989 and 1990

[Number of returns are in thousands--money amounts are in millions of dollars]

Item	1989 (preliminary)		1990 (preliminary)		Increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	
Adjusted gross income (less deficit) ¹.....	112,280	\$3,291,413	113,799	\$3,431,906	\$140,493
Salaries and wages.....	95,867	2,467,498	97,048	2,615,307	147,809
Taxable interest.....	70,089	215,921	70,564	222,994	7,073
Dividends.....	23,136	82,124	22,921	80,119	-2,005
Business or profession net income (less loss).....	14,151	130,911	14,629	138,576	7,665
Net capital gain (less loss).....	14,951	144,141	14,163	109,939	-34,202
Net gain (less loss), sales of property other than capital assets.....	1,725	1,334	1,654	1,924	590
Social security benefits in adjusted gross income.....	4,725	17,577	5,133	19,949	2,372
Rent and royalty net income (less loss).....	9,971	2,261	10,084	4,757	2,496
Partnership and S Corporation net income (less loss).....	5,647	72,987	5,664	74,322	1,335
Estate and trust net income (less loss).....	539	3,947	502	3,778	-169
Farm net income (less loss).....	2,361	146	2,329	-814	-960
Unemployment compensation.....	7,219	12,103	8,080	15,569	3,466
Pensions and annuities in adjusted gross income.....	16,985	149,430	17,155	160,978	11,548
Individual Retirement Arrangement distributions in adjusted gross income.....	3,008	13,815	3,561	17,581	3,766
Other net income (less loss) ²	n.a.	-3,364	n.a.	-5,520	-2,156

n.a. - not available.

¹ Sources of adjusted gross income shown are incomplete.² "Other net income (less loss)" represents only data reported on the "other income" residual line of Form 1040, and does not include the foreign earned income exclusion.

Figure D.—Comparison of Selected Sources of Total Positive Income, Tax Years 1989 and 1990

[Number of returns are in thousands--money amounts are in millions of dollars]

Item	1989 (preliminary)		1990 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total positive income ¹	n.a.	\$3,446,298	n.a.	\$3,599,935	4.5%
Salaries and wages.....	95,867	2,467,498	97,048	2,615,307	5.9
Taxable interest.....	70,089	215,921	70,564	222,994	3.3
Dividends.....	23,136	82,124	22,921	80,119	-2.4
Business or profession net income.....	11,020	148,995	11,220	156,865	5.3
Net capital gain.....	10,686	151,831	9,152	119,344	-21.4
Net gain, sales of property other than capital assets.....	873	6,043	858	5,923	-2.0
Social security benefits in adjusted gross income.....	4,724	17,577	5,133	19,949	13.5
Rent and royalty net income.....	4,851	29,758	5,032	31,654	6.4
Partnership and S Corporation net income.....	2,991	104,047	3,042	106,628	2.5
Farm net income.....	1,029	11,625	1,002	11,624	(?)
Unemployment compensation.....	7,219	12,103	8,080	15,569	28.6
Pensions and annuities in adjusted gross income.....	16,985	149,430	17,155	160,978	7.7
Individual Retirement Arrangement distributions in adjusted gross income.....	3,008	13,815	3,561	17,581	27.3
Other net income ³	6,141	22,744	5,325	21,918	-3.6

n.a. - not available.

¹ Sources of income shown are incomplete.² Less than 0.05 percent.³ "Other net income" represents only data reported on the "other income" residual line of Form 1040.

reached nearly \$3.6 trillion in 1990, up from \$3.4 trillion the previous year (Figure D) [2]. This represented a growth of 4.5 percent, notably less than the 5.5 percent recorded for 1989. For comparison purposes, the consumer price index (CPI-U) rose 5.4 percent during 1990 [3].

Eleven of the sixteen components of total positive income increased for 1990. The largest percentage increase was in unemployment compensation, which jumped 28.6 percent. Taxable distributions from Individual Retirement Arrangements (IRA's) rose 27.3 percent and taxable social security benefits rose 13.5 percent. Salaries and wages, which increased \$147.8 billion, constituted 72.6 percent of total positive income for 1990 (Figure E).

The \$3.5 billion increase in unemployment compensation was most likely caused by the increased level of unemployment in 1990. The number of returns with income from unemployment compensation increased by 861,000, or 11.9 percent. The national unemployment rate also rose, from 5.2 for 1989 to 5.4 percent for 1990 [4].

Net capital gains declined for the second consecutive year. For 1989, capital gains shrank 5.3 percent, and declined an additional 21.4 percent during 1990 (Figure D). There were no changes in the tax code to explain the double decline in capital gains. Rather, it is likely that at least a portion of the decline could be attributed to the continual legislative discussion and debate over a proposal to cut the capital gains tax. Many investors, antici-

pating such a cut, may have simply held on to their assets, waiting for lower tax rates.

LOSSES

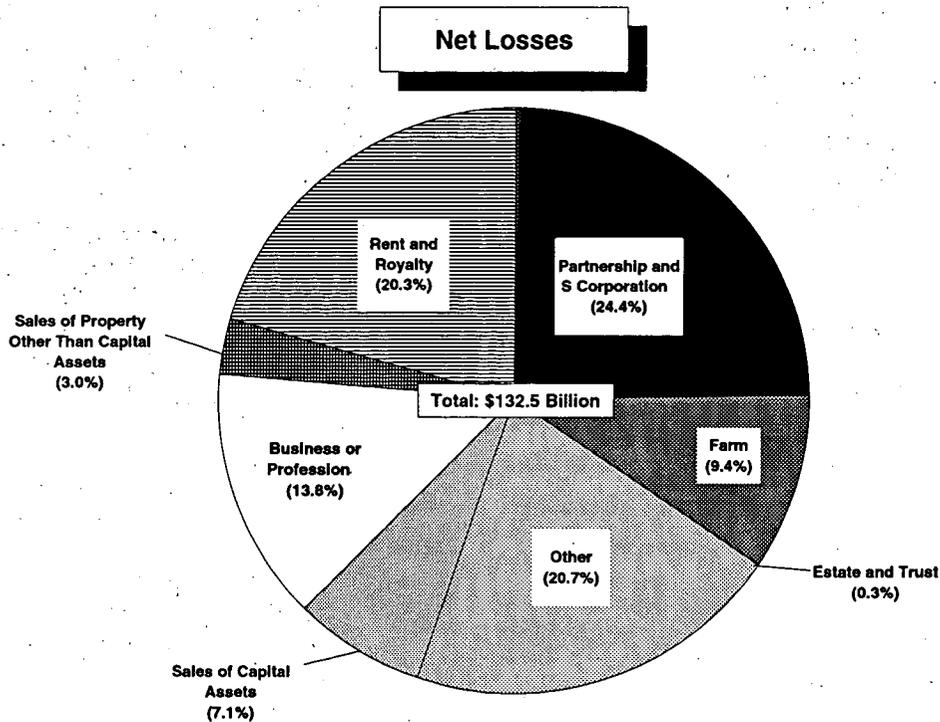
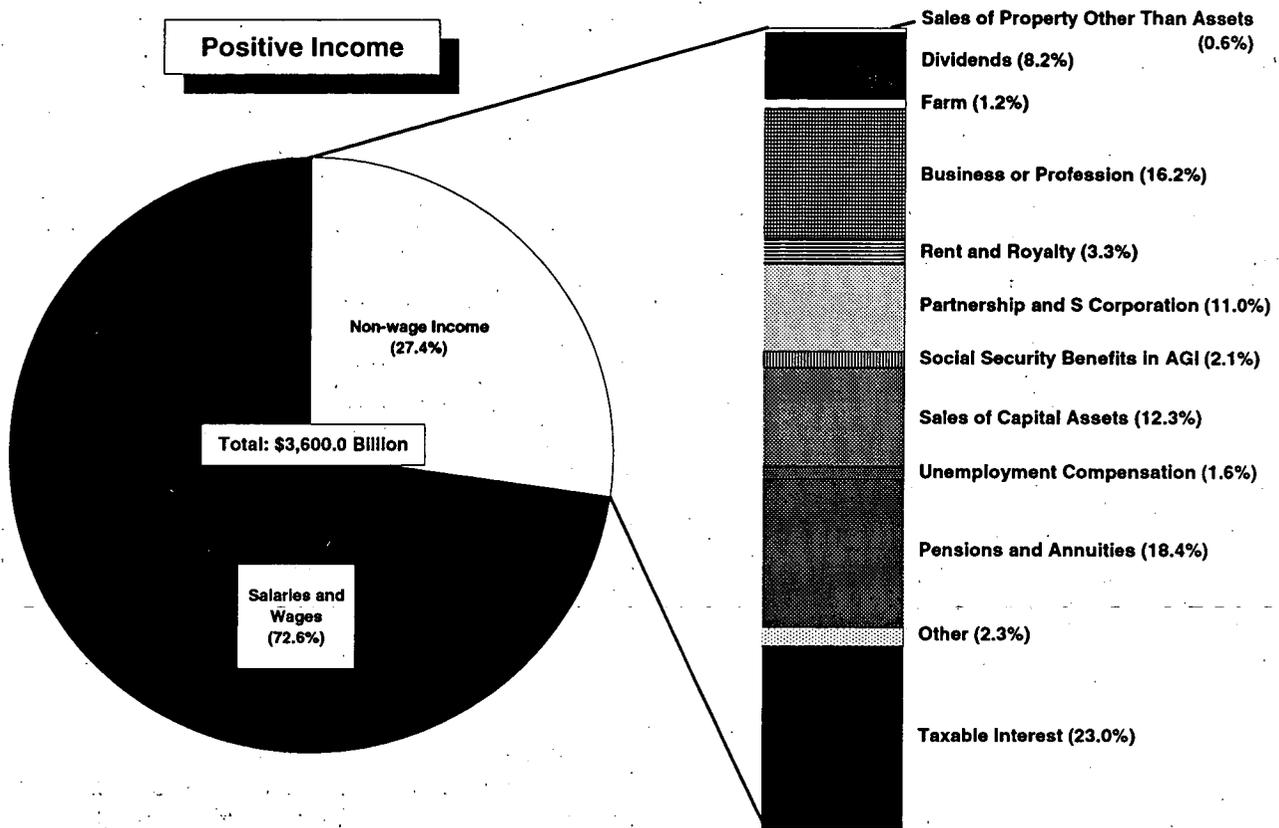
"Total negative income," i.e., total losses included in AGI, rose to \$132.5 billion for 1990, a 4.3 percent increase over 1989 (Figure F). Taxpayers sustained most of their losses through participation in partnerships and S Corporations, which accounted for 24.4 percent of the total. "Other" net losses, 87.2 percent of which was for the business "net operating loss" deduction, represented 20.7 percent of the total. Close behind were: rent and royalty net losses (20.3 percent), and non-farm sole proprietorship business or profession net losses (13.8 percent) (Figure E).

Net capital losses (after limitations) were 22.3 percent larger for 1990 than for 1989. Net losses from the sale of property other than capital assets, however, were 15.1 percent smaller. The only other loss item that declined significantly was estate and trust net loss, which decreased 8.2 percent.

STATUTORY ADJUSTMENTS

Statutory adjustments increased 35.3 percent for 1990, a change of more than \$8.6 billion (Figure G); the primary reason was the addition of a new deduction for self-employment tax (see Definitions and Changes in the Law, below, for details). If the new deduction had been ex-

Figure E
Positive Income and Net Losses Included in Adjusted Gross Income, Tax Year 1990



Note: Detail may not add to totals because of rounding.

Figure F.—Comparison of Selected Sources of Net Losses Included in Adjusted Gross Income, Tax Years 1989 and 1990
 [Number of returns are in thousands—money amounts are in millions of dollars]

Item	1989 (preliminary)		1990 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total net losses	n.a.	\$127,079	n.a.	\$132,541	4.3%
Partnership and S Corporation net loss.....	2,655	31,060	2,621	32,306	4.0
Rent and royalty net loss.....	5,120	27,497	5,052	26,897	-2.2
Estate and trust net loss.....	79	453	71	416	-8.2
Business or profession net loss.....	3,131	18,084	3,408	18,289	1.1
Farm net loss.....	1,375	12,418	1,327	12,438	0.2
Net capital loss ¹	4,266	7,689	5,011	9,405	22.3
Net loss, sales of property other than capital assets.....	852	4,709	796	3,999	-15.1
Other net loss ²	n.a.	26,108	n.a.	27,438	5.1

n.a. - not available.

¹ Includes only the portion of capital losses deducted in the calculation of adjusted gross income.

² Includes all information reported on the "other income" residual line of Form 1040, except for the foreign earned income exclusion.

cluded, total adjustments would have decreased 3.9 percent for 1990.

The only statutory adjustment that declined for 1990 was deductible contributions to Individual Retirement Arrangements, which dropped 9.4 percent. This decline continued a 5-year trend that began in 1986 after it was made known that the deductibility of IRA's was to be limited under the Tax Reform Act of 1986 (TRA) [5].

DEDUCTIONS

The total standard deduction rose 6.9 percent for 1990, from \$311.2 billion to \$332.8 billion. Total deductions, the sum of the total standard deduction and total itemized deductions, increased 6.7 percent, reaching \$785.2 billion. Given that AGI increased only 4.3 percent, it was the 2.4 percentage point difference between the growth rate for total deductions and the growth rate for AGI that caused the slower growth of taxable income and tax shown in Figure A.

The number of returns claiming a standard deduction represented 71.0 percent of all returns filed and 42.4

percent of total deductions for 1990. For 1989, 70.9 percent of all returns filed claimed the standard deduction, with 42.3 percent of the total amount.

Itemized deductions were reported on 28.3 percent of all returns, and accounted for 57.6 percent of total deductions. The remaining 0.7 percent of all returns claimed neither the standard nor itemized deductions, because AGI on those returns was equal to zero.

Two itemized deductions declined for 1990: the personal interest deduction and the casualty or theft loss deduction (Figure H). Personal interest deductions fell 51.0 percent, from \$8.0 billion for 1989 to less than \$4.0 billion for 1990. The principal reason for this drop was the continuing phase-out of deductible personal interest that began with TRA. For 1990, only 10 percent of the amount of personal interest could be claimed as an itemized deduction; the ceiling was 20 percent for 1989.

For 1990, deductions for casualty or theft losses were reported at more than \$0.7 billion, nearly \$1 billion less than the previous year. The 1989 total of \$1.7 billion had been 38.3 percent larger than the amount reported for 1988. This indicates that 1989 was exceptional, in that it

Figure G.—Selected Statutory Adjustments, Tax Years 1989 and 1990
 [Number of returns are in thousands—money amounts are in millions of dollars]

Item	1989 (preliminary)		1990 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total statutory adjustments ¹	9,930	\$24,579	16,611	\$33,263	35.3%
Payments to an Individual Retirement Arrangement.....	5,882	10,960	5,255	9,929	-9.4
Self-employment tax deduction.....	N/A	N/A	10,990	9,647	N/A
Self-employed health insurance deduction.....	2,320	1,228	2,680	1,558	26.9
Payments to a self-employed retirement (Keogh) plan.....	827	6,348	819	6,637	4.6
Alimony paid.....	595	4,374	638	4,694	7.3

N/A - Not applicable.

¹ Includes adjustments not shown separately.

Individual Returns, 1990

Figure H.—Selected Itemized Deductions and the Standard Deduction, Tax Years 1989 and 1990¹

[Number of returns are in thousands—money amounts are in millions of dollars]

Item	1989 (preliminary)		1990 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total itemized deductions	31,930	\$424,687	32,157	\$452,380	6.5%
Medical and dental expenses.....	5,074	20,499	5,039	21,164	3.2
Taxes paid.....	31,384	131,410	31,597	139,955	6.5
Interest paid, total ²	29,391	188,411	29,356	203,499	8.0
Home mortgage.....	26,346	167,188	26,681	187,125	11.9
Personal interest.....	25,000	8,008	23,707	3,925	-51.0
Contributions.....	29,163	55,329	29,290	57,245	3.5
Casualty or theft losses.....	185	1,709	114	745	-56.4
Moving expenses.....	899	3,940	907	4,191	6.4
Miscellaneous expenses after limitation.....	7,433	21,438	7,381	23,242	8.4
Other miscellaneous expenses.....	697	1,951	747	2,339	19.9
Standard deduction	79,627	311,186	80,826	332,803	6.9

¹ Returns with no adjusted gross income are not included in the deduction counts. For this reason, the sum of the number of returns with total itemized deductions and the number of returns with total standard deduction is less than the total number of returns for all filers.

² Also includes investment interest and deductible "points," not shown separately.

Note: Detail may not add to totals because of rounding.

reflected the destruction, and subsequent increase in casualty losses, wrought by Hurricane Hugo and the San Francisco earthquake [6].

TAX CREDITS

Total tax credits increased 11.2 percent, from \$5.9 billion for 1989 to \$6.6 billion for 1990 (Figure I). The foreign tax credit increased fastest, growing by 24.1 percent. Since the average foreign tax credit increased only \$57 per return, the change in the number of returns with the credit was the primary reason for the increase in the total amount. Indeed, the number of returns claiming the foreign tax credit increased 20.5 percent for 1990.

The portion of the earned income credit (EIC) used to offset income tax before credits increased to \$1.6 billion, 17.1 percent more than the previous year. The total EIC, including the refundable portion, equaled \$7.6 billion for

1990. A history of the earned income credit through the last decade is shown in Figure J, clearly illustrating one of the many dramatic effects of the TRA.

The largest segment of the EIC was the refundable portion, which was paid directly to individuals who either had no tax against which to apply the credit, or whose EIC exceeded income tax (and other taxes, such as the self-employment tax). The refundable portion of the EIC amounted to \$5.3 billion for 1990, up from \$4.7 billion for 1989. The total number of returns claiming the earned income credit grew 6.9 percent for 1990, from 5.4 million to 5.7 million returns.

SUMMARY

Adjusted gross income and total positive income grew at slower rates for 1990 than they had for 1989; both income indicators were outpaced by inflation.

Figure I.—Selected Tax Credits, Tax Years 1989 and 1990

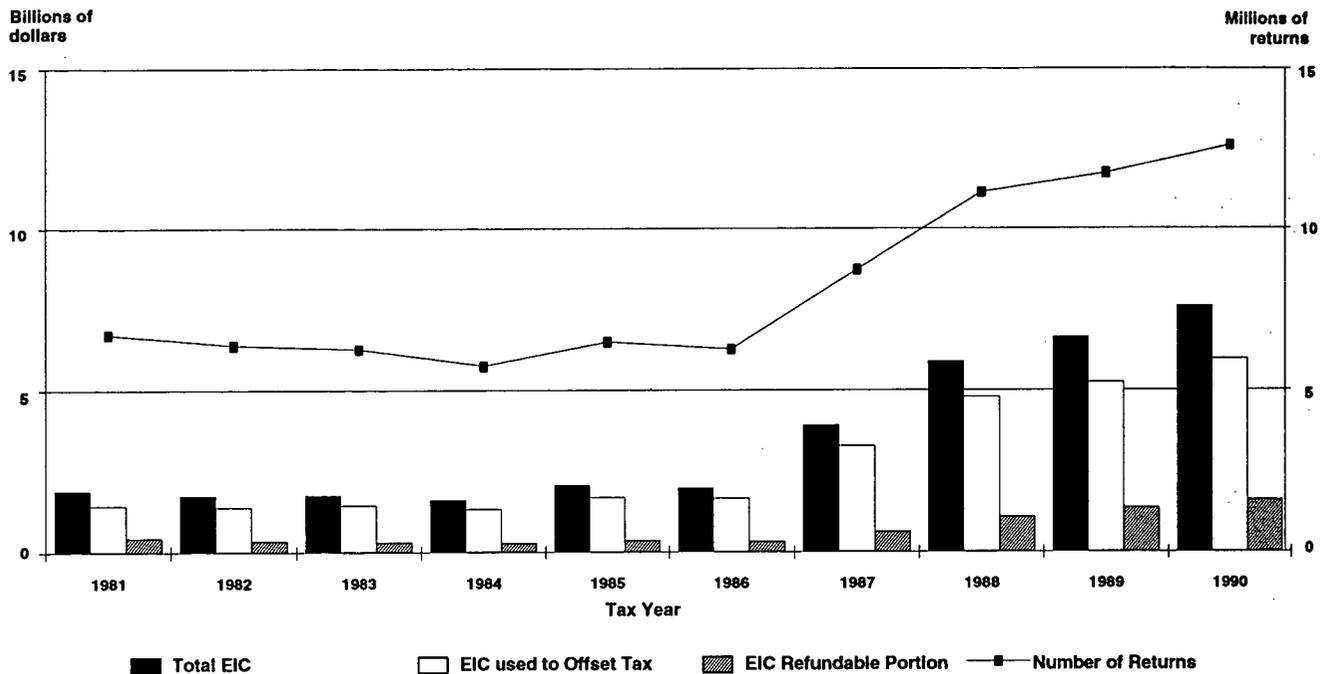
[Number of returns are in thousands—money amounts are in millions of dollars]

Item	1989 (preliminary)		1990 (preliminary)		Percentage increase in amount
	Number of returns	Amount	Number of returns	Amount	
	(1)	(2)	(3)	(4)	(5)
Total tax credits ¹	12,066	\$5,919	12,527	\$6,584	11.2%
Child care credit.....	6,043	2,442	6,184	2,554	4.6
Earned income credit ²	5,367	1,388	5,737	1,626	17.1
Credit for the elderly or disabled.....	326	66	342	63	-4.5
Foreign tax credit.....	639	1,220	770	1,514	24.1
General business credit.....	321	534	255	563	5.4
Credit for prior-year minimum tax.....	32	199	31	174	-12.6

¹ Includes credits not shown separately.

² Represents the portion of the earned income credit used to offset income tax before credits. Additional earned income credit amounts were used to offset other taxes, and some amounts were paid directly to the taxpayer.

Figure J
Total Earned Income Credit (EIC), Tax Years 1981-1990



Note: Data for Tax Years 1981-1988 are final; data for 1989-1990 are preliminary.

Unemployment compensation rose more than 28.6 percent, and net capital gains decreased 21.4 percent for 1990. Statutory adjustments were up 35.3 percent, mainly the result of the new self-employment tax deduction. Itemized deductions increased 6.5 percent, despite large reductions in the personal interest deduction and the casualty or theft loss deduction. Total tax credits rose 11.2 percent, supported by large increases in the earned income and foreign tax credits. Total income tax (after credits) grew slightly less than 3 percent, while total tax as a percentage of AGI decreased 0.2 percentage points.

DEFINITIONS AND CHANGES IN THE LAW

In general, the definitions used in this article are the same as those explained in *Statistics of Income—1988, Individual Income Tax Returns*. The following is a partial list of tax law and Internal Revenue Service administrative changes that had bearing on the 1990 preliminary data discussed in this article.

- **Exemption Amount.**—For 1990, a taxpayer was allowed a \$2,050 deduction for each exemption to which he or she was entitled. The exemption amount for 1989 was \$2,000 per exemption.
- **Earned Income Credit.**—If a taxpayer's "earned income" and adjusted gross income for 1990 were both less than \$20,264, and the individual had a child living with him or her for more than half of the year, and met all of the other requirements for the earned income credit, the filer was entitled to a credit of up to \$953. For 1989, the income ceiling for qualification was \$19,340 and the maximum allowable credit was \$910.
- **Standard Deduction.**—The standard deduction increased slightly for 1990 over 1989. For single filers, the standard deduction rose from \$3,100 to \$3,250. Other increases were as follows: from \$5,200 to \$5,450 for those who were married filing jointly or qualifying widow(er)s; from \$2,600 to \$2,725 for those who were married filing separately; and from \$4,550 to \$4,750 for heads of households.
- **Deduction for Self-Employment Tax.**—Beginning with 1990, an individual could deduct one-half of his or her social security self-employment tax for a year in figuring adjusted gross income.

DATA SOURCES AND LIMITATIONS

These preliminary statistics are based on a sample of individual income tax returns (Forms 1040, 1040A, and 1040EZ) filed during Calendar Year 1991. Returns in the sample were stratified based on return type (Form 1040, 1040A, or 1040EZ); the presence or absence of specific forms or schedules; and the larger of total positive income or total negative income and the size of non-farm sole proprietorship business receipts [7]. Returns were then selected at rates ranging from 0.02 percent to 100 percent. The preliminary 1990 data are based on a sample of 89,970 returns and an estimated final population of 114,467,245 returns. The corresponding sample and population for the preliminary 1989 data were 95,891 and 112,876,634 returns, respectively.

The data presented here are estimates based on a sample of returns filed, and are, therefore, subject to sampling error. To properly use the statistical data provided, the magnitude of the potential sampling error must be known; coefficients of variation (CV's) are used to measure that magnitude.

Approximate coefficients of variation (CV's) for frequency estimates are presented in Figure K. These approximate CV's shown are intended only as a general

Figure K.—Coefficients of Variation for Selected Frequency Estimates, Tax Year 1990

Number of returns	Approximate coefficient of variation
27,402,400.....	0.01
6,850,600.....	0.02
1,096,096.....	0.05
274,024.....	0.10
68,506.....	0.20
30,447.....	0.30
22,369.....	0.35
10,961.....	0.50

Figure L.—Comparison of Preliminary and Final Data, Tax Year 1989

[Money amounts are in millions of dollars]

Item	1989 preliminary data	1989 final data	Increase from preliminary to final data	Percentage increase from preliminary to final data
	(1)	(2)	(3)	(4)
Adjusted gross income (less deficit).....	\$3,291,413	\$3,256,358	\$-35,055	-1.1%
Salaries and wages.....	2,467,498	2,449,531	-17,967	-0.7
Net capital gain (less loss).....	144,141	144,006	-135	-0.1
Partnership and S Corporation:				
Net income.....	104,047	107,374	3,327	3.2
Net loss.....	31,060	44,282	13,222	42.6
Other income:				
Net income.....	22,714	23,332	618	2.7
Net loss.....	33,323	36,655	3,332	10.0
Total itemized deductions.....	424,687	430,978	6,291	1.5
Interest paid deduction.....	188,411	193,186	4,775	2.5
Total tax credits.....	5,919	6,131	212	3.6
Total income tax.....	439,427	432,109	-7,318	-1.7
Alternative minimum tax.....	651	831	180	27.6

indication of the reliability of the data. For a number other than those shown, the corresponding CV's can be estimated by interpolation. The reliability of estimates based on samples, and the use of coefficients of variation for evaluating the precision of estimates based on samples, are discussed in the Appendix to this issue of the *Bulletin*.

While these preliminary estimates are intended to represent a full year of taxpayer reporting, they are actually based on returns processed for tax administration purposes between January and late September of 1991. In general, returns processed during the remainder of each year tend to have somewhat different characteristics from those processed for the preliminary estimates. The characteristics of these later returns tend to include disproportionately large amounts of investment income and such other items as the alternative minimum tax.

All comparisons between 1990 and 1989 are based upon preliminary data from each year. Figure L provides a comparison of 1989 preliminary and final data. Certain items, such as AGI and salaries and wages, which are reported on most returns, changed little between preliminary and final data. In contrast, other items, including partnership and S Corporation net losses and the alternative minimum tax tend to be understated in all preliminary estimates.

NOTES AND REFERENCES

- [1] "Mean total income tax" is defined here as the amount of total income tax divided by the number of taxable returns.
- [2] For the purposes of this article, total positive income was a compilation of all income line items on the tax

returns (Form 1040, 1040A, or 1040EZ) for which a positive amount was reported by the taxpayer. Total negative income was similarly defined. The Form 1040 income tax return entry for Schedule E, *Supplemental Income and Loss* was separated into the following components: rent and royalty net income, partnership and S Corporation net income, and estate and trust net income. When any of these subtotals was positive on a return, the corresponding income (rather than the total netted amount from Schedule E) was included in the statistics for total positive income.

- [3] U.S. Department of Labor, Bureau of Labor Statistics, *Monthly Labor Review*. Represents annual averages of monthly figures. Reflects buying patterns of all urban consumers.

1990 CPI-U = 130.7; 1989 CPI-U = 124.0.

- [4] U.S. Department of Labor, Bureau of Labor Statistics, *Employment and Earnings*, monthly.

- [5] TRA limited or disallowed the IRA contribution deduction for middle- and upper-income taxpayers who were covered by a pension plan, while continuing to permit nondeductible contributions for such taxpayers, as well as allowing tax deferral on the investment income of all IRA's. For more information, see Introduction and Changes in the Law in *Statistics of Income—1988, Individual Income Tax Returns*.

- [6] Unpublished data indicate that casualty and theft losses reported for South Carolina and California were markedly higher for 1989 than for 1988 or 1990. The portion of the national total made up by the two states was also considerably larger for 1989.

- [7] Returns in the sample are stratified based on the presence or absence of one or more of the following forms or schedules: Form 2555, *Foreign Earned Income*; Form 1116, *Computation of Foreign Tax Credit*; Schedule C, *Profit (or Loss) from Business or Profession*; Schedule F, *Farm Income and Expenses*; or Form 4835, *Farm Rental Income (or Loss)*.

Individual Returns, 1990

Table 1.--Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of adjusted gross income	Number of returns	Adjusted gross income (less deficit)	Salaries and wages		Taxable interest		Tax-exempt interest ¹		Dividends	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns, total	113,798,774	3,431,905,535	97,047,591	2,615,306,614	70,563,618	222,993,801	3,941,991	40,638,717	22,921,454	80,119,349
No adjusted gross income.....	799,182	-33,272,406	317,228	5,350,700	512,877	2,859,031	41,543	671,968	197,441	597,709
\$1 under \$5,000.....	16,501,712	41,595,281	13,425,769	34,674,232	6,593,081	4,238,516	78,703	188,761	1,463,144	1,128,440
\$5,000 under \$10,000.....	14,978,348	112,086,313	11,868,613	82,237,690	6,475,555	11,022,645	119,166	308,277	1,511,772	2,080,286
\$10,000 under \$15,000.....	13,952,561	173,718,996	11,238,272	129,109,467	6,612,354	15,529,835	208,250	1,052,563	1,649,278	3,198,251
\$15,000 under \$20,000.....	11,554,605	201,802,783	9,651,392	156,175,965	6,050,829	15,569,839	158,280	784,105	1,527,905	2,875,319
\$20,000 under \$25,000.....	9,585,744	214,587,360	8,330,813	171,994,127	5,842,822	13,906,005	213,696	833,175	1,520,094	2,947,074
\$25,000 under \$30,000.....	7,843,571	215,377,899	7,085,025	179,017,037	5,304,963	10,995,528	194,328	1,073,183	1,380,605	2,797,205
\$30,000 under \$40,000.....	12,272,428	425,935,279	11,100,141	354,992,043	9,256,735	22,233,141	480,547	2,830,131	2,812,589	5,368,099
\$40,000 under \$50,000.....	8,850,998	395,330,951	8,141,227	328,729,704	7,569,460	18,443,316	401,425	2,284,833	2,541,657	5,096,492
\$50,000 under \$75,000.....	10,999,621	660,633,137	10,171,388	549,049,520	10,070,659	31,104,795	767,942	5,855,888	4,345,452	11,575,701
\$75,000 under \$100,000.....	3,281,541	279,932,262	2,991,765	220,814,419	3,151,595	15,860,986	425,968	3,548,679	1,770,492	6,208,727
\$100,000 under \$200,000.....	2,328,827	305,813,213	2,022,194	206,501,078	2,279,214	21,818,329	513,404	6,471,927	1,527,054	10,742,991
\$200,000 under \$500,000.....	653,139	190,872,886	539,835	106,315,071	648,349	15,739,049	236,562	6,471,096	502,557	9,028,051
\$500,000 under \$1,000,000.....	132,854	89,284,039	110,041	43,177,445	131,647	8,048,640	64,306	3,371,852	114,187	5,079,263
\$1,000,000 or more.....	63,642	158,207,543	53,889	47,168,117	63,478	15,624,146	37,871	4,892,281	57,226	11,395,744
Taxable returns, total	90,012,176	3,314,497,041	77,816,473	2,494,443,592	62,882,151	208,315,794	3,754,622	38,939,233	21,023,227	76,614,252
Nontaxable returns, total	23,786,598	117,408,495	19,231,118	120,863,022	7,681,467	14,678,006	187,170	1,699,484	1,898,227	3,505,097

Size of adjusted gross income	State income tax refunds		Alimony received		Business or profession				Capital gain distributions reported on Form 1040	
	Number of returns	Amount	Number of returns	Amount	Net income		Net loss		Number of returns	Amount
					Number of returns	Amount	Number of returns	Amount		
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns, total	16,739,495	9,656,850	487,375	3,824,671	11,220,734	156,885,088	3,408,324	18,288,820	2,185,147	1,096,276
No adjusted gross income.....	50,915	110,785	669	12,355	103,078	1,078,230	336,815	5,586,074	10,077	4,657
\$1 under \$5,000.....	112,774	56,384	13,186	44,043	1,014,146	2,668,240	149,236	597,374	198,666	58,430
\$5,000 under \$10,000.....	255,809	64,477	64,231	311,979	1,220,160	6,412,928	222,488	680,979	154,834	48,748
\$10,000 under \$15,000.....	426,121	153,946	69,451	314,818	1,123,224	7,774,683	225,750	820,767	133,358	57,539
\$15,000 under \$20,000.....	725,467	191,325	57,570	363,630	881,002	7,308,010	249,258	904,915	164,595	84,477
\$20,000 under \$25,000.....	903,313	260,899	59,625	236,093	941,440	8,056,882	246,747	913,712	163,366	104,963
\$25,000 under \$30,000.....	1,193,268	392,307	55,443	285,775	791,334	7,489,466	258,867	955,752	129,359	41,878
\$30,000 under \$40,000.....	2,852,713	1,069,618	53,237	563,809	1,387,582	14,552,107	495,077	1,476,101	259,207	83,404
\$40,000 under \$50,000.....	2,887,355	1,099,153	50,721	828,100	1,060,525	11,991,372	342,941	1,187,179	261,176	135,999
\$50,000 under \$75,000.....	4,509,831	2,016,655	26,338	309,303	1,453,464	22,966,499	522,336	2,084,121	393,403	184,272
\$75,000 under \$100,000.....	1,396,388	948,071	11,184	289,102	548,884	14,992,085	164,210	756,871	168,658	83,013
\$100,000 under \$200,000.....	1,026,136	1,281,713	4,036	172,767	499,749	26,088,827	137,906	1,004,965	121,190	154,638
\$200,000 under \$500,000.....	302,391	921,735	1,373	81,939	152,937	15,755,699	42,592	574,883	23,624	47,868
\$500,000 under \$1,000,000.....	62,156	402,239	200	5,324	29,158	5,317,071	8,966	241,549	2,892	3,984
\$1,000,000 or more.....	34,857	687,543	111	5,633	14,049	4,412,988	5,134	503,574	744	2,404
Taxable returns, total	16,039,662	9,275,383	402,119	3,559,716	8,701,976	142,549,300	2,654,154	10,807,285	2,055,625	1,053,152
Nontaxable returns, total	699,832	381,466	65,256	264,955	2,518,758	14,315,788	754,170	7,481,535	129,523	43,124

Size of adjusted gross income	Sales of capital assets reported on Form 1040, Schedule D				Sales of property other than capital assets				Taxable Individual Retirement Arrangement distributions	
	Net gain		Net loss		Net gain		Net loss		Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All returns, total	6,967,201	118,248,044	5,010,826	9,404,998	857,754	5,923,171	795,778	3,999,059	3,561,019	17,580,949
No adjusted gross income.....	95,389	2,820,916	120,856	288,590	37,074	431,773	50,821	1,502,740	14,828	137,478
\$1 under \$5,000.....	255,591	370,115	267,308	473,956	23,901	89,319	26,407	125,764	68,731	131,013
\$5,000 under \$10,000.....	375,168	754,526	306,039	533,501	50,710	150,273	29,529	117,754	292,651	692,226
\$10,000 under \$15,000.....	444,795	1,285,790	366,724	672,675	65,230	108,249	39,660	248,771	440,753	1,206,432
\$15,000 under \$20,000.....	479,741	1,520,566	274,481	523,106	65,661	212,675	43,576	104,331	368,111	1,140,808
\$20,000 under \$25,000.....	338,857	1,333,790	331,102	603,359	62,923	159,033	43,217	92,396	339,165	1,197,750
\$25,000 under \$30,000.....	407,855	1,691,820	265,567	495,149	66,051	145,333	49,829	128,360	291,647	1,041,241
\$30,000 under \$40,000.....	757,642	3,162,965	560,772	998,959	86,943	436,322	86,185	114,635	479,712	2,260,351
\$40,000 under \$50,000.....	733,710	4,616,565	571,406	1,059,846	87,597	381,426	79,524	146,413	400,293	1,899,210
\$50,000 under \$75,000.....	1,331,904	9,116,541	898,707	1,597,872	112,936	759,735	130,601	340,348	525,232	3,376,468
\$75,000 under \$100,000.....	638,213	6,868,453	410,731	789,430	62,673	534,238	53,701	132,799	178,990	1,600,632
\$100,000 under \$200,000.....	708,239	15,778,041	430,270	877,602	78,291	971,146	86,364	296,313	123,424	1,375,278
\$200,000 under \$500,000.....	286,527	17,168,075	155,283	356,980	40,744	783,895	50,995	326,146	29,287	880,900
\$500,000 under \$1,000,000.....	72,736	11,374,282	36,410	93,316	10,668	284,307	15,480	149,560	5,161	249,567
\$1,000,000 or more.....	40,835	40,385,601	15,170	40,659	6,349	475,447	9,886	172,728	3,034	391,594
Taxable returns, total	6,429,560	113,923,894	4,420,832	8,127,797	712,711	5,148,543	672,808	1,959,512	3,199,406	16,442,393
Nontaxable returns, total	537,642	4,324,150	589,993	1,277,200	145,043	774,629	122,970	2,039,547	361,613	1,138,555

Footnotes at end of table.

Individual Returns, 1990

Table 1.--Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income--Continued

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of adjusted gross income	Pensions and annuities				Rent and royalty				Partnership and S Corporation	
	Total		In adjusted gross income		Net income		Net loss		Net income	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All returns, total	18,106,708	215,845,073	17,154,637	160,978,202	5,032,359	31,654,182	5,052,132	26,696,954	3,041,973	106,628,194
No adjusted gross income.....	66,873	861,865	63,218	501,951	60,320	709,744	142,783	1,940,383	37,960	576,269
\$1 under \$5,000.....	599,736	1,561,405	574,371	1,317,019	192,988	363,261	150,873	658,855	72,592	149,135
\$5,000 under \$10,000.....	1,984,858	9,588,711	1,944,604	8,575,057	492,364	1,248,726	209,404	804,374	159,451	734,544
\$10,000 under \$15,000.....	2,516,257	16,997,885	2,476,428	15,811,538	433,304	1,155,963	308,754	1,223,350	187,497	974,208
\$15,000 under \$20,000.....	2,116,392	19,035,942	2,052,357	16,916,144	436,377	1,401,946	292,155	1,383,397	141,660	962,373
\$20,000 under \$25,000.....	1,678,242	17,734,119	1,608,691	15,234,405	396,181	1,424,800	375,583	1,411,235	184,082	1,276,257
\$25,000 under \$30,000.....	1,344,189	14,566,503	1,295,774	12,015,297	307,887	1,252,688	356,821	1,563,307	129,347	1,226,606
\$30,000 under \$40,000.....	2,109,493	23,852,659	1,996,944	20,375,465	618,983	1,733,523	648,690	2,935,922	301,701	2,078,152
\$40,000 under \$50,000.....	1,822,753	26,853,082	1,687,013	19,551,753	476,193	1,962,571	578,858	2,736,237	303,190	2,519,438
\$50,000 under \$75,000.....	2,382,269	36,768,822	2,182,517	26,491,285	748,412	4,396,745	1,014,573	5,728,072	500,457	6,442,494
\$75,000 under \$100,000.....	743,600	14,493,659	658,699	9,719,420	315,937	2,573,716	435,947	2,767,419	272,938	4,720,756
\$100,000 under \$200,000.....	551,586	17,863,519	464,035	8,898,657	338,282	4,759,050	378,445	2,278,707	421,990	15,591,567
\$200,000 under \$500,000.....	142,491	8,407,153	113,245	3,135,681	154,895	4,314,120	122,186	871,683	233,915	21,820,246
\$500,000 under \$1,000,000.....	32,098	3,852,150	24,533	1,129,310	37,749	1,972,463	25,139	317,532	60,267	13,713,683
\$1,000,000 or more.....	15,872	3,407,600	12,209	1,505,222	22,488	2,384,865	11,921	276,480	34,926	33,842,469
Taxable returns, total.....	15,891,586	204,154,081	15,023,589	151,365,300	4,350,732	29,513,264	4,413,346	22,210,937	2,797,053	104,903,874
Nontaxable returns, total.....	2,215,122	11,690,992	2,131,048	9,612,902	681,627	2,140,917	638,786	4,686,017	244,920	1,724,320

Size of adjusted gross income	Partnership and S Corporation --Continued		Estate and trust				Farm			
	Net loss		Net income		Net loss		Net income		Net loss	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)
All returns, total	2,621,763	32,306,368	430,942	4,193,922	70,707	418,277	1,001,712	11,624,389	1,327,124	12,438,362
No adjusted gross income.....	120,188	10,770,879	2,578	15,309	492	40,962	25,712	380,817	97,346	3,483,777
\$1 under \$5,000.....	60,511	599,352	26,622	67,373	*5,745	*8,063	79,917	104,953	77,347	492,538
\$5,000 under \$10,000.....	69,018	637,251	38,497	105,429	*4,205	*26,602	112,347	539,756	125,672	717,637
\$10,000 under \$15,000.....	104,499	763,800	23,240	55,754	*5,357	*12,109	83,463	520,892	91,973	476,260
\$15,000 under \$20,000.....	107,264	540,680	22,053	167,893	*8,992	*43,536	115,730	608,396	108,426	626,575
\$20,000 under \$25,000.....	133,902	643,696	23,365	59,893			83,340	729,443	123,632	808,884
\$25,000 under \$30,000.....	141,915	595,113	21,888	56,590	*2,746	*1,146	96,087	987,121	115,010	730,788
\$30,000 under \$40,000.....	265,983	1,084,705	46,410	149,596	*9,013	*60,569	125,821	1,429,064	174,347	1,048,095
\$40,000 under \$50,000.....	247,541	900,132	32,855	153,747	*2,811	*9,434	96,426	1,385,309	149,003	980,825
\$50,000 under \$75,000.....	498,165	2,288,519	75,483	345,165	11,054	41,750	109,390	2,058,510	144,046	887,984
\$75,000 under \$100,000.....	279,908	1,657,348	33,409	261,336	6,066	31,808	34,014	834,640	49,126	435,963
\$100,000 under \$200,000.....	363,772	3,470,678	46,962	483,554	7,590	73,179	26,662	1,051,696	44,213	633,576
\$200,000 under \$500,000.....	170,015	3,746,940	25,161	716,386	3,957	24,774	8,774	536,257	19,504	495,590
\$500,000 under \$1,000,000.....	41,208	1,800,137	7,562	463,202	1,489	7,218	2,732	1,258,814	4,620	205,070
\$1,000,000 or more.....	17,873	2,837,135	4,857	1,092,691	1,189	35,127	1,297	241,721	2,858	414,801
Taxable returns, total.....	2,327,642	18,780,586	390,556	4,001,119	65,362	312,176	757,343	10,162,882	999,605	7,340,970
Nontaxable returns, total.....	294,121	13,525,782	40,386	192,803	5,345	104,101	244,368	1,461,507	327,519	5,097,392

Size of adjusted gross income	Unemployment compensation		Social security benefits				Statutory adjustments			
			Total		In adjusted gross income		Total		Individual Retirement Arrangement payments (primary taxpayer)	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
All returns, total	8,079,878	15,569,487	10,898,563	101,008,982	5,132,891	19,948,743	16,610,552	33,262,703	4,785,858	7,155,119
No adjusted gross income.....	13,685	20,200	85,069	738,343	2,763	8,636	152,679	293,496	12,078	20,410
\$1 under \$5,000.....	374,618	450,056	711,551	5,394,584	*8,223	*13,786	1,010,164	393,500	81,494	110,923
\$5,000 under \$10,000.....	1,133,052	1,797,555	1,653,166	13,881,472	*16,103	*40,626	1,513,538	1,024,954	197,847	299,787
\$10,000 under \$15,000.....	1,287,894	2,426,487	1,548,256	14,245,853	25,949	123,521	1,501,088	1,643,923	351,629	573,100
\$15,000 under \$20,000.....	854,534	1,739,404	1,048,819	9,671,473	43,859	83,273	1,381,392	1,769,315	430,051	662,306
\$20,000 under \$25,000.....	878,125	1,857,927	880,289	8,494,485	298,329	336,060	1,521,105	2,127,799	564,253	863,078
\$25,000 under \$30,000.....	688,764	1,381,020	834,349	7,306,100	612,676	1,029,020	1,444,359	2,182,589	612,090	847,449
\$30,000 under \$40,000.....	1,153,895	2,380,058	1,340,102	12,359,277	1,329,100	4,067,853	2,347,888	3,975,750	909,728	1,295,087
\$40,000 under \$50,000.....	772,315	1,530,492	972,700	8,830,010	971,625	4,212,394	1,854,433	2,970,350	693,981	832,758
\$50,000 under \$75,000.....	738,386	1,556,751	1,055,632	10,997,254	1,055,632	5,488,471	2,052,116	4,921,605	474,804	778,389
\$75,000 under \$100,000.....	131,378	280,744	340,904	3,585,515	340,904	1,792,774	738,992	3,002,939	182,951	342,458
\$100,000 under \$200,000.....	47,751	131,086	301,823	3,733,333	301,823	1,866,688	738,038	4,977,958	189,153	363,063
\$200,000 under \$500,000.....	4,374	14,413	95,543	1,323,809	95,543	661,902	269,930	2,888,665	69,505	134,956
\$500,000 under \$1,000,000.....	897	2,516	19,971	19,971	19,971	144,515	55,675	716,878	11,123	21,451
\$1,000,000 or more.....	211	779	10,388	158,444	10,388	79,222	29,156	392,980	5,174	9,904
Taxable returns, total.....	6,452,017	12,920,792	6,876,374	82,948,141	5,055,601	19,696,755	13,849,955	31,134,576	4,564,691	6,812,548
Nontaxable returns, total.....	1,627,861	2,648,695	2,022,189	18,060,841	77,290	251,988	2,760,597	2,128,128	221,166	342,570

Footnotes at end of table.

Individual Returns, 1990

Table 1--Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income--Continued

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of adjusted gross income	Statutory adjustments--Continued								Basic standard deduction	
	Individual Retirement Arrangement payments (secondary taxpayer)		Deduction for self-employment tax		Payments to a self-employed retirement (Keogh) plan		Alimony paid			
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	(69)	(70)
All returns, total	2,138,568	2,773,933	10,990,343	9,646,658	819,454	6,636,538	637,641	4,694,294	80,825,689	322,096,680
No adjusted gross income.....	5,280	8,372	105,849	73,778	2,813	7,575	9,556	146,872	--	--
\$1 under \$5,000.....	2,744	5,489	902,363	181,722	674	1,121	5,892	29,228	16,329,951	45,483,025
\$5,000 under \$10,000.....	27,061	37,420	1,242,724	494,522	4,491	4,551	18,928	70,386	14,413,883	55,288,645
\$10,000 under \$15,000.....	90,201	112,545	1,116,138	593,575	18,465	15,977	35,425	125,456	12,949,395	53,062,861
\$15,000 under \$20,000.....	89,520	113,021	916,824	614,131	16,412	33,901	48,343	164,162	10,104,203	42,042,421
\$20,000 under \$25,000.....	153,008	195,094	913,714	634,680	33,271	69,570	45,702	204,153	7,784,293	33,874,154
\$25,000 under \$30,000.....	222,305	277,749	809,270	635,804	35,530	103,351	41,000	166,994	5,644,267	25,517,644
\$30,000 under \$40,000.....	455,815	605,713	1,361,431	1,177,593	63,692	208,154	79,308	397,690	7,185,386	34,116,645
\$40,000 under \$50,000.....	386,855	377,475	1,062,903	968,314	62,061	214,382	82,843	420,329	3,619,883	18,161,943
\$50,000 under \$75,000.....	337,028	476,312	1,405,137	1,787,718	169,085	775,401	113,745	754,986	2,351,824	12,250,736
\$75,000 under \$100,000.....	154,508	234,811	482,835	859,999	120,887	796,683	56,823	502,622	306,812	1,602,062
\$100,000 under \$200,000.....	147,469	227,330	467,363	1,117,597	190,175	2,284,925	64,276	778,580	116,392	599,769
\$200,000 under \$500,000.....	54,087	83,451	163,520	406,268	81,045	1,626,303	25,142	522,214	16,403	82,119
\$500,000 under \$1,000,000.....	8,783	13,103	28,109	73,363	14,784	360,750	7,031	220,158	2,301	11,417
\$1,000,000 or more.....	3,906	6,046	12,261	27,596	6,057	133,892	3,624	190,464	695	3,237
Taxable returns, total.....	2,067,686	2,675,274	8,579,521	8,564,053	795,361	6,600,655	604,051	4,418,938	59,425,365	237,373,236
Nontaxable returns, total.....	70,882	98,660	2,410,822	1,082,605	24,094	35,883	33,590	275,355	21,400,324	84,723,444

Size of adjusted gross income	Itemized deductions									
	Additional standard deduction		Total		Medical and dental expense deduction		Taxes paid deduction		Interest paid deduction	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(71)	(72)	(73)	(74)	(75)	(76)	(77)	(78)	(79)	(80)
All returns, total	11,045,694	10,706,780	32,157,161	452,379,821	5,038,520	21,163,640	31,596,983	139,955,245	29,356,029	203,498,872
No adjusted gross income.....	--	--	--	--	--	--	--	--	--	--
\$1 under \$5,000.....	917,331	832,785	171,760	1,485,130	114,116	609,773	130,740	201,952	108,332	586,391
\$5,000 under \$10,000.....	2,406,092	2,179,124	557,671	4,696,884	369,282	2,066,308	451,768	642,502	352,043	1,327,028
\$10,000 under \$15,000.....	2,438,620	2,400,305	1,003,165	8,860,675	546,360	2,776,830	938,676	1,379,027	748,757	3,311,332
\$15,000 under \$20,000.....	1,662,699	1,632,377	1,446,346	13,508,373	611,033	2,615,617	1,382,301	2,100,896	1,167,638	6,297,149
\$20,000 under \$25,000.....	1,031,974	1,038,517	1,801,452	15,484,171	623,471	2,376,915	1,748,057	3,156,183	1,564,534	6,748,890
\$25,000 under \$30,000.....	618,555	608,365	2,195,248	19,625,418	609,514	2,014,830	1,224,878	4,396,268	2,020,031	9,417,093
\$30,000 under \$40,000.....	816,060	811,261	5,085,208	48,082,821	861,504	2,702,900	5,033,070	12,467,766	4,744,504	23,776,107
\$40,000 under \$50,000.....	551,909	557,638	5,231,115	55,785,965	522,942	1,887,910	5,199,219	15,676,262	4,948,367	28,041,800
\$50,000 under \$75,000.....	448,391	482,724	6,647,797	112,288,865	589,101	2,357,330	8,595,072	34,797,654	8,190,308	54,018,763
\$75,000 under \$100,000.....	102,364	108,417	2,974,729	52,547,367	128,069	756,791	2,965,996	17,465,169	2,784,112	24,630,998
\$100,000 under \$200,000.....	44,164	47,600	2,212,435	59,493,997	53,669	648,706	2,201,208	20,801,301	2,002,231	26,677,259
\$200,000 under \$500,000.....	6,300	6,377	636,736	30,939,399	11,041	280,326	833,347	12,714,682	560,325	11,672,309
\$500,000 under \$1,000,000.....	992	1,054	130,553	11,612,343	824	48,036	129,997	5,539,077	111,076	3,367,238
\$1,000,000 or more.....	241	235	62,945	17,958,512	165	11,371	62,655	8,816,511	53,774	3,626,515
Taxable returns, total.....	8,630,090	8,339,697	30,566,154	426,505,920	4,060,068	12,714,242	30,207,696	136,916,055	28,143,476	191,997,055
Nontaxable returns, total.....	2,415,604	2,367,083	1,589,007	25,873,901	978,451	8,449,398	1,389,287	3,039,190	1,212,553	11,501,816

Size of adjusted gross income	Itemized deductions--Continued								Exemptions	
	Contributions deduction		Moving expenses		Net miscellaneous deductions after limitation		Non-limited miscellaneous deductions			
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of exemptions	Amount
	(81)	(82)	(83)	(84)	(85)	(86)	(87)	(88)	(89)	(90)
All returns, total	29,289,803	57,244,799	906,749	4,190,970	7,381,263	23,242,025	747,378	2,339,138	227,786,630	466,542,389
No adjusted gross income.....	--	--	--	--	--	--	--	--	1,536,024	3,124,264
\$1 under \$5,000.....	111,931	44,268	--	--	59,988	30,501	5,222	12,243	13,025,247	26,624,261
\$5,000 under \$10,000.....	406,522	400,192	3,279	5,402	124,463	223,265	15,565	23,053	22,209,505	45,472,437
\$10,000 under \$15,000.....	763,834	826,295	21,353	62,517	207,892	447,381	23,178	55,240	25,077,000	51,361,770
\$15,000 under \$20,000.....	1,154,374	1,317,766	28,619	41,688	352,159	987,505	29,008	97,892	21,694,402	44,441,042
\$20,000 under \$25,000.....	1,522,843	1,902,372	39,812	99,274	441,384	1,094,939	33,049	56,025	19,953,145	40,857,702
\$25,000 under \$30,000.....	1,929,151	2,177,305	58,163	171,028	530,616	1,251,959	70,113	98,716	17,696,413	36,243,726
\$30,000 under \$40,000.....	4,584,786	5,538,075	93,870	259,700	1,231,587	2,950,498	122,484	265,288	30,780,912	63,068,996
\$40,000 under \$50,000.....	4,812,217	6,328,619	137,100	502,102	1,209,747	3,053,523	112,009	229,985	24,366,092	49,923,830
\$50,000 under \$75,000.....	8,203,757	13,661,776	251,180	1,130,102	1,977,473	5,886,144	193,155	384,921	32,343,837	66,275,976
\$75,000 under \$100,000.....	2,878,321	6,079,258	131,717	756,021	655,231	2,529,970	70,408	217,333	9,685,350	19,847,678
\$100,000 under \$200,000.....	2,136,315	7,350,211	117,066	686,151	474,754	2,835,756	52,443	383,757	6,899,009	14,136,489
\$200,000 under \$500,000.....	618,533	4,556,664	21,346	240,515	97,665	1,167,480	15,492	277,052	1,960,691	4,016,828
\$500,000 under \$1,000,000.....	126,681	2,130,167	2,559	28,618	13,238	389,681	3,339	118,231	386,300	7,917,427
\$1,000,000 or more.....	61,537	4,931,831	887	7,854	5,046	423,422	1,914	139,402	174,703	357,966
Taxable returns, total.....	28,114,959	55,744,174	883,196	4,091,948	7,029,980	22,382,221	706,170	2,173,472	181,255,836	371,331,604
Nontaxable returns, total.....	1,174,844	1,500,626	23,554	99,022	351,383	879,804	41,209	165,666	46,532,792	95,210,785

Footnotes at end of table.

Table 1.—Selected Income, Adjustments, Deductions, and Tax Items, by Size of Adjusted Gross Income--Continued

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of adjusted gross income	Taxable income		Income tax before credits		Total tax credits		Income tax after credits
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns
	(91)	(92)	(93)	(94)	(95)	(96)	(97)
All returns, total	93,335,506	2,280,920,401	93,273,365	457,392,600	12,527,029	6,584,438	89,998,191
No adjusted gross income.....	--	--	740	553	*173	*328	*660
\$1 under \$5,000.....	5,004,274	3,360,505	4,943,595	538,057	58,060	782	4,908,625
\$5,000 under \$10,000.....	9,363,120	22,337,455	9,371,085	3,392,476	551,212	79,364	8,894,365
\$10,000 under \$15,000.....	12,029,590	63,392,924	12,015,090	9,547,686	2,713,683	1,037,696	9,826,765
\$15,000 under \$20,000.....	11,201,532	102,763,996	11,201,532	15,454,941	3,109,429	1,075,240	10,703,105
\$20,000 under \$25,000.....	9,469,172	123,969,198	9,472,470	18,714,592	818,593	324,577	9,444,374
\$25,000 under \$30,000.....	7,770,077	133,798,936	7,770,077	20,895,742	666,429	299,528	7,755,168
\$30,000 under \$40,000.....	12,228,106	280,250,725	12,228,780	45,713,643	1,188,361	509,270	12,205,539
\$40,000 under \$50,000.....	8,831,383	271,039,265	8,831,386	45,376,061	967,405	460,845	8,825,847
\$50,000 under \$75,000.....	10,986,445	469,615,063	10,986,445	88,480,089	1,470,132	729,674	10,984,347
\$75,000 under \$100,000.....	3,277,883	205,948,094	3,277,883	44,770,654	459,931	304,078	3,276,997
\$100,000 under \$200,000.....	2,325,659	231,655,349	2,326,014	58,588,326	343,304	579,385	2,324,665
\$200,000 under \$500,000.....	652,016	155,981,580	652,019	44,752,427	125,233	472,395	651,605
\$500,000 under \$1,000,000...	132,684	76,927,565	132,684	21,834,161	34,205	247,873	132,612
\$1,000,000 or more.....	63,565	139,939,746	63,565	39,333,191	20,877	463,425	63,519
Taxable returns, total.....	89,986,347	2,272,791,791	90,002,301	456,156,788	9,255,965	5,348,826	89,998,191
Nontaxable returns, total.....	3,349,159	8,128,609	3,271,064	1,235,812	3,271,064	1,235,812	--

Size of adjusted gross income	Income tax after credits --Continued	Alternative minimum tax		Total income tax ²		Total tax liability ³	
	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(98)	(99)	(100)	(101)	(102)	(103)	(104)
All returns, total	450,808,162	118,610	616,598	90,012,176	451,424,760	92,251,046	472,131,977
No adjusted gross income.....	*226	5,319	41,032	5,970	41,258	121,730	197,807
\$1 under \$5,000.....	537,297	*4,561	*3,134	4,910,444	540,431	5,759,992	872,139
\$5,000 under \$10,000.....	3,313,113	*3,130	*7,509	8,894,754	3,320,622	9,503,512	4,091,493
\$10,000 under \$15,000.....	8,509,990	*6,020	*3,719	9,827,303	8,513,709	10,222,266	9,594,936
\$15,000 under \$20,000.....	14,379,702	*310	*936	10,703,415	14,380,637	10,857,118	15,677,387
\$20,000 under \$25,000.....	18,390,015	*5,224	*2,660	9,444,376	18,412,675	9,483,439	19,825,500
\$25,000 under \$30,000.....	20,596,215	*3,290	*2,187	7,755,192	20,598,402	7,793,414	21,987,348
\$30,000 under \$40,000.....	45,204,373	*2,533	*2,671	12,207,444	45,207,044	12,230,262	47,823,286
\$40,000 under \$50,000.....	44,915,216	4,927	*5,296	8,826,477	44,920,512	8,834,825	47,092,183
\$50,000 under \$75,000.....	87,750,415	17,312	46,781	10,985,287	87,797,196	10,990,515	91,757,052
\$75,000 under \$100,000.....	44,466,576	14,123	33,598	3,277,410	44,500,174	3,278,678	46,409,052
\$100,000 under \$200,000.....	58,008,941	28,815	115,647	2,325,658	58,124,588	2,326,542	60,542,872
\$200,000 under \$500,000.....	44,280,033	16,795	133,531	652,203	44,413,564	652,446	45,322,039
\$500,000 under \$1,000,000...	21,586,289	4,236	87,392	132,671	21,673,680	132,721	21,842,916
\$1,000,000 or more.....	38,869,766	2,015	110,505	63,575	38,980,271	63,584	39,095,968
Taxable returns, total.....	450,808,162	118,610	616,598	90,012,176	451,424,760	90,012,176	470,396,452
Nontaxable returns, total.....	--	--	--	--	--	2,238,869	1,735,525

* Estimate should be used with caution because of the small number of sample returns on which it is based.

¹ Not included in adjusted gross income.

² Total income tax represents income tax after credits (including the earned income credit), plus alternative minimum tax.

³ Total tax liability represents income tax after credits (including the earned income credit), plus alternative minimum tax, plus any other additional taxes, e.g., self-employment and penalty tax on qualified retirement plans.

Note: Detail may not add to totals because of rounding.

Foreign Recipients of U.S. Income, 1989

By Randy Miller*

U.S. source income paid to "foreign persons" rose nearly 73 percent in 1989 to over \$55 billion. U.S. tax withheld on this income rose by only 15 percent, to nearly \$2 billion. This difference results from the fact that a significant proportion of the increase in total payments was comprised of tax-free interest income. Almost 85 percent of the countries whose recipients received payments of more than \$10 million in 1989, experienced increases in such payments from 1988 levels; less than 10 percent of these countries experienced declines from prior year levels.

Payments to United Kingdom recipients increased by 181 percent to \$13.6 billion, making them the largest recipient group of U.S. source income in 1989. Payments to Japanese recipients, the largest recipient group in 1987 and 1988, rose to \$13.1 billion, an increase of 56 percent from 1988. Together these two countries accounted for almost half of all income paid to foreign recipients.

Payments to foreign persons rose from \$5 billion in 1979 to \$55 billion in 1989. A number of factors led to increased foreign investment in the United States during the 1980's, contributing to this large increase in total payments to foreign persons. For most of the 1980's, the U.S. economy was in an expansionary phase, providing an attractive and secure place for foreign investment. During the 1980's, the U.S. national savings rate was one of the lowest in the industrialized world, at about 3 percent of national income [1]. This forced domestic entities to search abroad for investment funds. Furthermore, the demand for investment funds by U.S. entities exerted upward pressure on interest rates, making investment in the United States more attractive. Because national savings rates were considerably higher in other countries, these countries were able to respond to the U.S. demand for investment funds. Also, in 1984, the United States removed the withholding tax on most types of portfolio interest, enabling U.S. entities to compete more effectively for funds in international financial markets.

BACKGROUND

U.S. source income of nonresident alien individuals and other foreign entities is taxed at a flat, statutory rate of 30 percent (or a lower treaty rate), unless such income is "effectively connected" with a U.S. trade or business or is exempt from U.S. taxation. The income shown in this article includes, but is not limited to, certain interest, dividends, compensation for personal services, rents and royalties, retirement payments and capital gains. Foreign persons' bank deposit interest is not included in these statistics, nor are amounts remitted to the United States by foreign governments under treaty agreements (see the Data Sources and Limitations section of this article).

U.S. individuals or corporations distributing U.S. source income are required to withhold taxes on this income, or to appoint a withholding agent (normally a financial institution) to do so. The payer or designated agent is fully liable for all taxes owed. Without this withholding requirement there would be no way to enforce taxpayer compliance. The payer or withholding agent is required to report the income paid to each foreign recipient on a Form 1042S, *Foreign Persons' U.S. Source Income Subject to Withholding*, an information return used to report income paid to foreign persons. Because foreign recipients are not required to file U.S. tax returns to report this income, it is not possible to tax them at ordinary graduated rates on their consolidated U.S. source income (as one U.S. payer would have no knowledge of payments made to the same recipient by other United States payers). Generally, the data on Form 1042S returns are shared with foreign countries with which the United States has a tax treaty or some type of exchange of information agreement.

Although the statutory withholding rate is 30 percent, the effective tax rate is frequently considerably lower for a number of reasons. First, more than 35 reciprocal tax treaties between the United States and its principal trad-

*Foreign Returns Analysis Section. Prepared under the direction of Chris Carson, Chief.

ing partners often lower the effective withholding rates (see the Tax Treaties section of this article). Second, certain types of payments are exempt from U.S. taxation altogether, but still must be reported on Forms 1042S. In most cases, income paid to foreign government organizations is not taxed, unless such income is deemed to be effectively connected with a U.S. trade or business. Portfolio interest income is not subject to withholding. Only half of each social security and railroad retirement benefit payment is subject to the statutory rate of withholding. Finally, tax is withheld on most income paid to foreign private foundations at only a 4 percent rate.

odd years from 1979-1989. During this period interest nearly doubled as a percentage of total income, while the percentage of total income attributable to dividends fell by half. Rents and royalties, as a percentage of total income, remained relatively stable.

DATA HIGHLIGHTS

Total payments to foreign persons increased by over \$23 billion in 1989. Interest payments comprised 67 percent of this increase, accounting for 60 percent of all foreign persons' U.S. source income in 1989. Dividends represented 22 percent of the increase in payments from 1988, but decreased as a percentage of total payments.

In 1989, the total number of Forms 1042S fell 2 percent to 1,290,140. This was the first time since 1982 that the number of forms filed declined. The average payment rose to \$42,672, up 76 percent from 1988. The average tax withheld rose 14 percent to \$1,523. The principal reason for such a large disparity between the rise in income and the rise in taxes is that of the \$23 billion increase in total payments, \$19 billion (or 83 percent) was exempt from taxation.

Payments to United Kingdom and Japanese recipients continued to rise, as they had throughout the 1980's. Payments to persons in the Netherlands Antilles (one of the most important sources of investment funds for much of the decade) rose by almost \$890 million in 1989, but decreased as a percentage of total income. Figure B displays the percentage of total income received by these countries for odd years between 1979-1989. More will be said about these trends in the Country of Recipient section of this article.

Figure A depicts the percentage of total income attributable to interest, dividends, and rents and royalties for

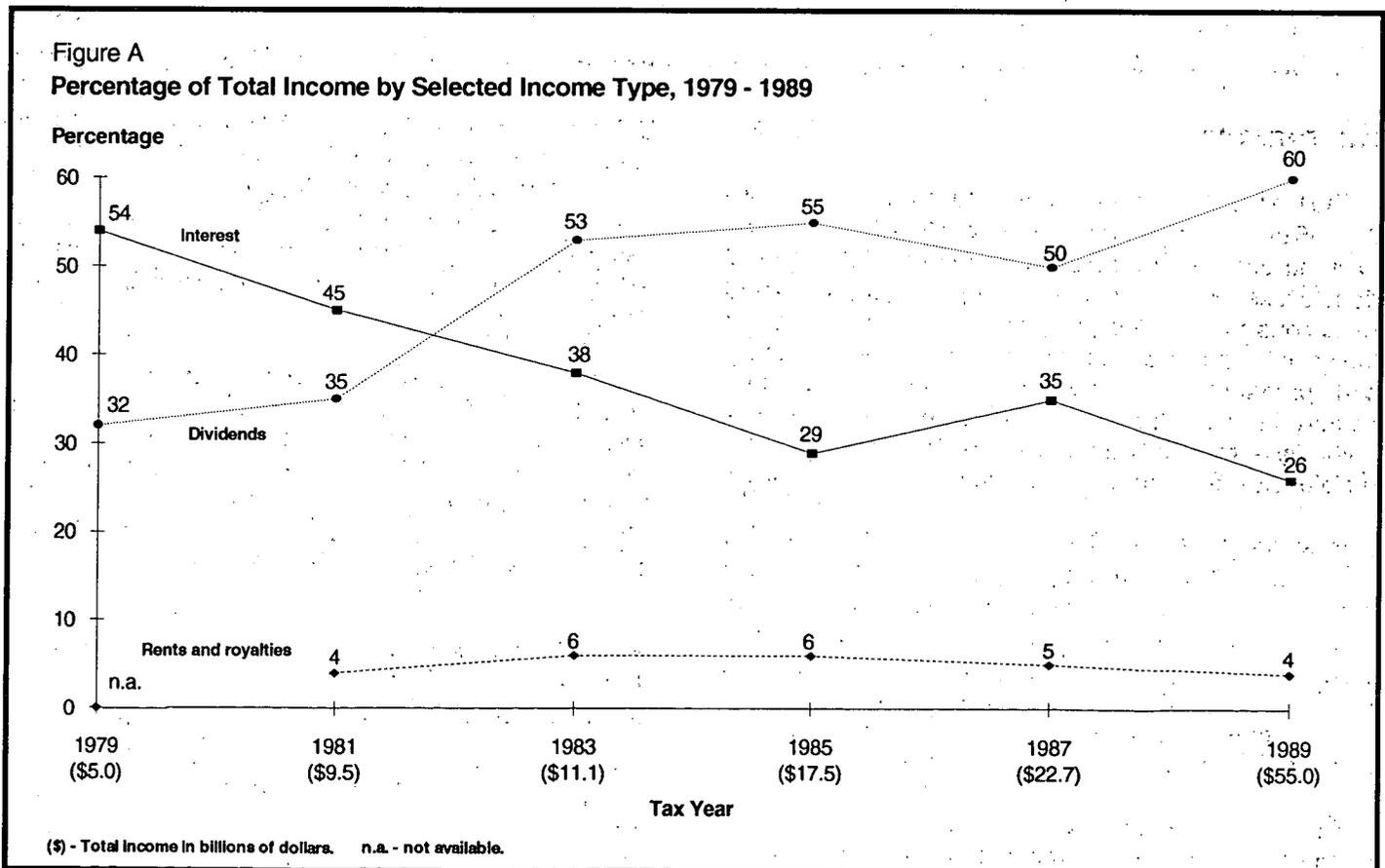
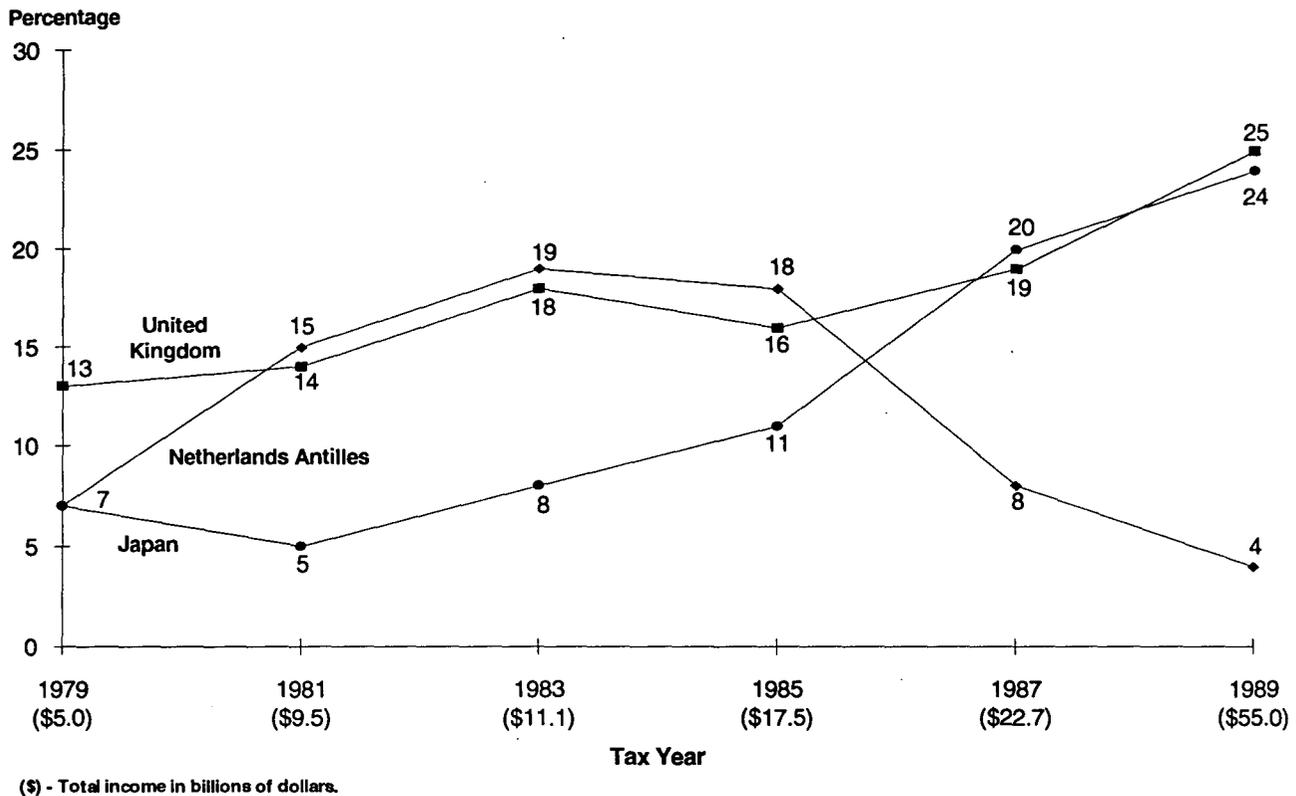


Figure B
Percentage of Total Income Remitted to the United Kingdom, Japan, and the Netherlands Antilles, 1979-1989



TAX TREATIES

The United States participates in tax treaties with more than 35 of its principal trading partners (see Table 1). The main purpose of these treaties is to avoid international double taxation. Tax treaties generally involve reciprocal reductions in tax rates (or exemptions in some cases) between the participating countries. Tax treaties typically cede primary taxing authority to the source country (the country in which the income is earned), although this authority is frequently limited. The resident country of the recipient is then granted the residual taxing authority [2].

Most countries, including the United States, tax their residents on their worldwide income. Residents of such countries will typically receive domestic tax credits for taxes paid to foreign countries. Other countries, including a number of Latin American countries, tax only that income earned within their borders [3]. Generally, persons in these countries are granted exemptions from domestic taxation for any foreign source income.

Tax treaties reduce the U.S. tax liability for foreign persons earning U.S. source income. This reduction in

U.S. tax revenue is at least partially offset by the decline in foreign tax credits of U.S. persons receiving income from and paying taxes to treaty countries. These treaties reduce the foreign tax liability of U.S. persons, thus reducing the foreign tax credits available to such persons. Fewer foreign tax credits increase the revenue intake of domestic taxing authorities.

In 1989, persons in treaty countries received 89 percent of total U.S. source income payments to foreign persons, while paying 83 percent of all taxes. Figure C compares income, U.S. tax withheld, and effective U.S. tax rates for treaty and nontreaty country recipients for 1989. The effective rate of taxation is the amount of tax withheld as a percentage of total income paid.

Figure C.--Total Income, U.S. Tax Withheld, and Effective U.S. Tax Rates for Treaty and Nontreaty Countries, 1989
 (Money amounts are in millions of dollars)

Treaty status	Total income	U.S. tax withheld	Effective U.S. tax rate
	(1)	(2)	(3)
All countries.....	\$55,047	\$1,964	3.6%
Treaty countries.....	49,542	1,634	3.3
Nontreaty countries.....	5,505	330	6.0

TYPE OF INCOME

In 1989, interest payments of \$33 billion accounted for 60 percent of total U.S. source income paid to foreign persons (up 5 percentage points from the previous year). Such a high percentage of total income attributable to interest is a result of several factors. First, the Deficit Reduction Act of 1984 eliminated the tax withholding requirements on most portfolio interest payments, making interest-bearing portfolio accounts more attractive investments. In addition, many tax treaties reduce or eliminate the withholding on other interest payments to residents of these countries. Second, relatively high U.S. interest rates for much of the 1980's made U.S. interest bearing securities an attractive investment. As a result, foreign holdings of U.S. Treasury bonds and other bonds increased to record levels in the late 1980's [4].

The stock market crash on October 19, 1987, may have deterred foreign investors from increasing their equity investments [5]. The decrease in the percentage of total payments attributable to dividends in 1989 may partially reflect this hesitancy. It should also be noted that foreign investors in some countries simply chose to sell U.S. stocks and purchase stocks in their own domestic stock markets [6]. This tended to decrease U.S. dividend payments to foreign persons, thereby increasing the percentage of income paid in the form of interest.

Dividend income in 1989, at almost \$15 billion, was the second largest type of payment to foreign persons. These payments, however, decreased from 40 percent of all payments in 1988 to 26 percent in 1989. Dividend payments accounted for 67 percent of all taxes withheld (compared to 18 percent for interest payments). Figure D details income and tax information for the different types of income.

Figure D.—Income and U.S. Tax Withheld, by Type of Income, 1989

[Money amounts are in millions of dollars]

Income ¹ type	Total income	U.S. tax withheld	Percentage of total taxes	Effective U.S. tax rate
	(1)	(2)	(3)	(4)
All income types.....	\$55,047	\$1,964	100%	3.6%
Interest.....	33,267	348	18	1.0
Dividends.....	14,577	1,312	67	9.0
Rents and royalties.....	2,611	106	5	4.1
Retirement payments ¹	893	79	4	8.8
Compensation for personal services.....	836	40	2	4.8
Other/unknown.....	2,863	78	4	2.7

¹ Includes social security and railroad retirement benefits.

Note: Detail may not add to totals due to rounding.

TYPE OF RECIPIENT

Foreign corporations received 75 percent of all U.S. source income paid to foreign persons in 1989, while accounting for 69 percent of the U.S. tax withheld. U.S. source income paid to corporations totaled almost \$42 billion, more than doubling from 1988. Also, 88 percent of the increase in total payments from 1988 to 1989 was accounted for by corporations. Individuals and fiduciaries and nominees were the next largest groups (receiving \$3.8 and \$3.5 billion, respectively). Figure E presents the percentage of total income and U.S. tax withheld by type of recipient.

Compared with their income, corporations accounted for a relatively low percentage of total taxes. This was because nearly 70 percent of income distributed to corporations was exempt from taxation. Individuals, on the other hand, accounted for a high percentage of total taxes relative to their income. This was because individuals received almost 40 percent of their income in the form of dividends and retirement benefits, the two income types taxed at the highest effective rates.

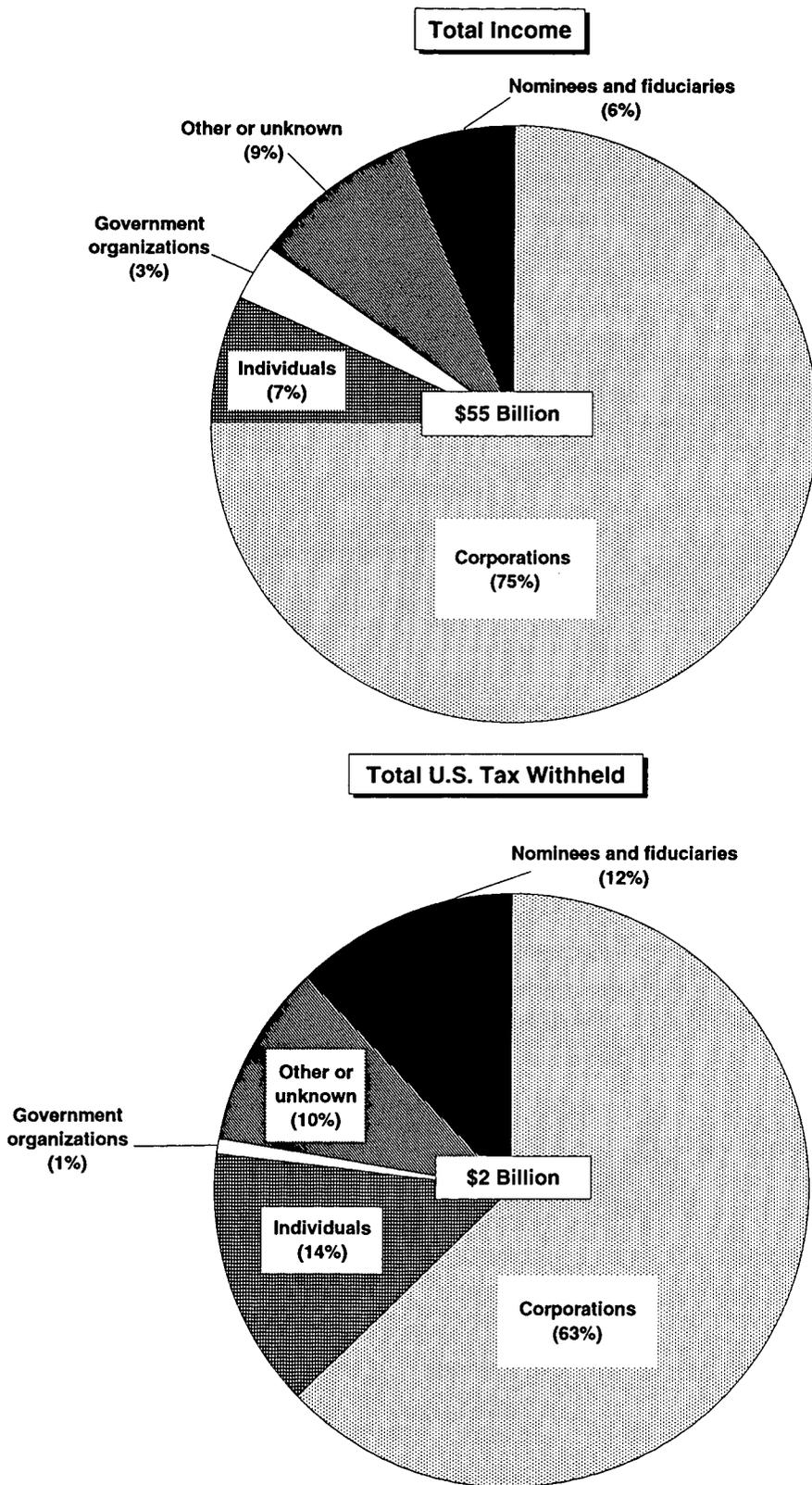
Foreign government organizations received \$1.5 billion in U.S. source income during 1989, and had almost \$20 million in taxes withheld. In 1988, the tax withheld was \$7.3 million on income of \$1.1 billion. For 1989, most income received by foreign government organizations was in the form of interest and dividends (over \$1 billion and nearly \$0.5 billion, respectively). Figure F shows the countries whose government organizations received the most income.

The War Revenue Act of 1917 provided for the tax exemption of certain income paid to foreign government organizations. This exemption was modified throughout the years due to the increase in commercial activities by foreign governments. The exemption generally does not apply to such commercial activities or in instances in which benefits are remitted to private entities [7].

COUNTRY OF RECIPIENT

In 1989, eight countries received total payments of more than \$1 billion each. These countries accounted for over 81 percent of total income and almost 74 percent of

Figure E
Total Income and U.S. Tax Withheld, by Type of Recipient, 1989



Foreign Recipients of U.S. Income, 1989

Figure F.—Countries Whose Government Organizations Received the Most U.S. Source Income, 1989

(Money amounts are in thousands of dollars)

Country	Total income received by government organizations	U.S. tax withheld
All countries.....	\$1,535,804	\$19,832
Kuwait.....	219,942	5
United Kingdom.....	195,432	439
Japan.....	174,577	9,669
United Arab Emirates.....	172,280	—
Spain.....	163,250	12
Singapore.....	126,611	3,271

total taxes withheld. Figure G presents income and tax information on these countries by order of the largest income totals.

These 8 countries had an aggregate effective tax rate of 3.2 percent. The tax rates among each of these countries, however, varied between 1.6 percent and 4.9 percent. This variation can best be explained by differences in tax treaty provisions and differences in income type composition.

In 1989, United Kingdom residents received more U.S. source income than persons in any other country. A number of factors may explain this. First, during the 1980's, the United Kingdom invested more money in the United States than did any other country. Purchases of U.S. Treasury securities by persons in the United Kingdom increased by about 200 percent in 1989. Persons in the United Kingdom made net purchases of nearly \$3.5 billion in U.S. stocks, offsetting net sales by other European countries (such as West Germany and Switzerland). Foreign direct investment in the United States by the United Kingdom totaled \$119 billion in 1989, far surpassing every other country. Total reinvested earnings in U.S. assets dropped by \$6.6 billion to a slightly negative figure. A great deal of this decrease was ac-

Figure G.—Income and Taxes for the Eight Countries Whose Residents Received the Most U.S. Source Income, 1989

(Money amounts are in millions of dollars)

Country	Total income	Percentage increase from 1988	U.S. tax withheld	Effective U.S. tax rate
	(1)	(2)	(3)	(4)
Selected countries, total.....	\$45,198	80%	\$1,445	3.2%
United Kingdom.....	13,640	181	435	3.2
Japan.....	13,107	56	436	3.3
Netherlands.....	4,266	77	70	1.6
Canada.....	4,195	34	141	3.4
Switzerland.....	3,134	60	152	4.9
West Germany.....	2,478	71	103	4.2
Netherlands Antilles.....	2,466	56	52	2.1
France.....	1,914	49	56	2.9

counted for by large dividend payments to foreign persons (particularly to U.K. recipients) [8].

Payments to Japanese recipients rose by nearly \$4.7 billion, to just over \$13 billion. As Figure B demonstrates, Japan's share of total payments rose sharply since the beginning of the decade. This rise was due to the fact that in the 1980's Japan became the second largest source of investment funds for U.S. entities. Japan's rate of savings, at 20 percent of national income, has been one of the highest in the industrialized world [9]. Japanese banks became the world's largest and most powerful around the mid-1980's, making them a large source of funds for foreign borrowers [10]. Figure H displays the percentage of income and taxes by income type for Japanese and United Kingdom recipients.

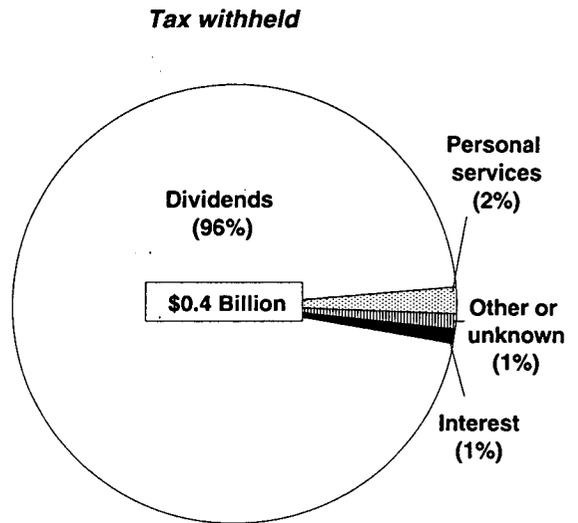
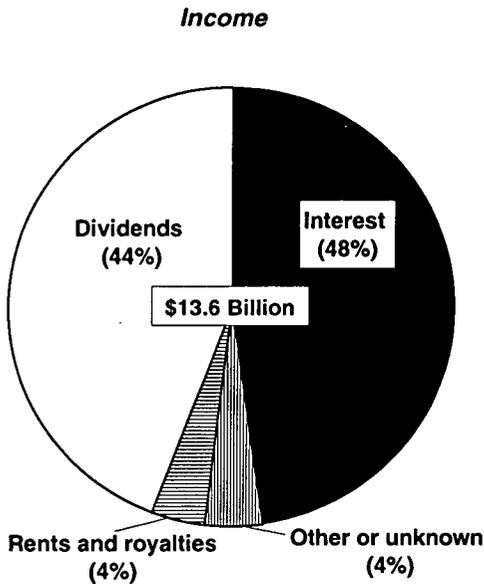
Payments to residents of the Netherlands Antilles increased in 1989 for the first time since 1985. In 1989, as in years past, interest accounted for the bulk of payments made to residents of the Netherlands Antilles. As a percentage of total income, payments to residents of the Netherlands Antilles decreased in 1989, as they have every year since the enactment of the Deficit Reduction Act in 1984. One goal of the Deficit Reduction Act of 1984 was to curb the need of U.S. borrowers to acquire funds indirectly through "tax haven" countries. Prior to this Act, the Netherlands Antilles was one of the most important sources of investment funds for U.S. borrowers because the present portfolio interest exemptions were not yet in effect. Interest payments to persons in the Netherlands Antilles were exempt from U.S. taxation under treaty provisions. Also, the Netherlands Antilles did not impose a withholding tax on interest payments to third-party lenders [11].

TAXES WITHHELD

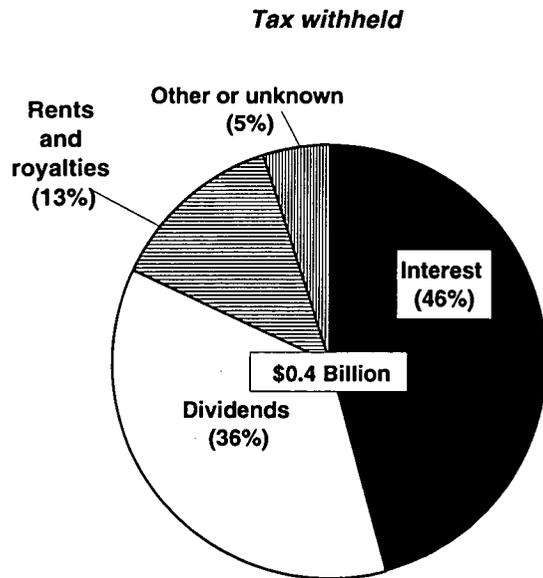
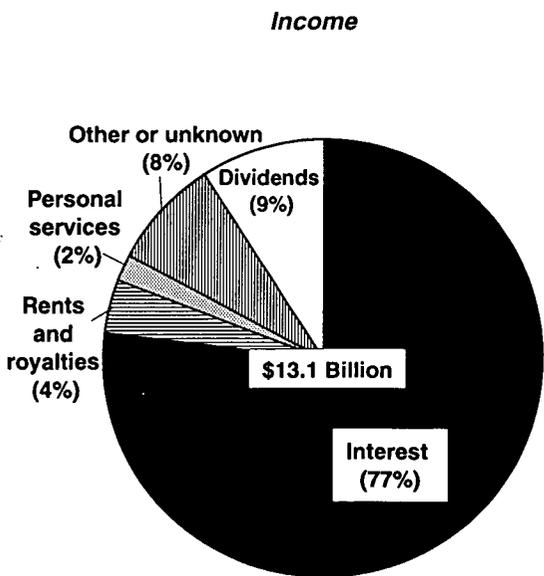
For Tax Year 1989, U.S. tax withheld amounted to almost \$2 billion on income of over \$55 billion. This translates to an effective tax rate of 3.6 percent. Only 3.9 percent of total U.S. source income was subject to the 30 percent statutory rate. Sixty-nine percent (or \$38 billion) of the \$55 billion total was exempt from taxation. The effective tax rate for income subject to withholding was 11.5 percent. Of the \$17 billion of income subject to taxation, only 12.7 percent was taxed at the statutory rate. Figure I displays the countries with the highest and lowest effective tax rates for 1989 (for countries with total U.S. source income greater than \$10 million).

Figure H
 Total Income and U.S. Tax Withheld, by Income Type for United Kingdom and Japanese Recipients, 1989

United Kingdom



Japan



Foreign Recipients of U.S. Income, 1989

Figure I.—Countries with the Highest and Lowest Effective Tax Rates, 1989¹

Country	Effective U.S. tax rate
	Highest
Algeria.....	29.7%
Guernsey.....	18.1
Liberia.....	16.9
Yugoslavia.....	14.4
Lebanon.....	14.2
Liechtenstein.....	13.2
Greece.....	12.6
Philippines.....	12.6
Monaco.....	12.2
South Africa.....	11.4
	Lowest
United Arab Emirates.....	(²)
Malaysia.....	0.6%
Finland.....	0.6
Nigeria.....	0.7
Jordan.....	0.8
Kuwait.....	0.9
Pakistan.....	1.0
China.....	1.2
Bahrain.....	1.5
Taiwan.....	1.5

¹ For countries with total payments of \$10 million or more.

² Less than 0.05 percent.

Algeria, which had the highest effective tax rate of any country, received most of its U.S. source income in the form of dividends. Furthermore, Algeria does not participate in a tax treaty with the United States. These two factors explain the unusually high effective tax rate for Algeria. The countries with the lowest effective tax rates had most of their income exempt from U.S. taxation.

Sixty-three percent of the total U.S. tax withheld for foreign recipients was for income paid to corporations, compared to 14 percent for individuals and 12 percent for nominees and fiduciaries. About 69 percent of taxes withheld for corporations was for dividend payments. Of the \$1.3 billion in U.S. tax withheld for income paid to corporations, more than half was accounted for by Japan and the United Kingdom.

In 1989, about \$274 million in U.S. tax was withheld on income paid to foreign individuals. Individual recipients in Mexico and Canada paid more taxes than persons in any other country. Mexican individuals had \$34 million in taxes withheld, mostly for social security payments. The \$26 million in tax withheld for Canadian individuals was mostly for dividends.

Foreign government organizations had \$20 million in U.S. tax withheld. The effective tax rates for these organizations was 1.2 percent. Almost 68 percent of these taxes were withheld on dividend payments. U.S. tax withheld on payments to Japanese Government organizations accounted for almost half of total taxes withheld for such entities. The effective tax rate for Japanese Government organizations was 5.5 percent. Ethiopia was the only country whose government organizations had

U.S. tax withheld at the maximum 30 percent rate. Five countries (Gibraltar, Indonesia, Mexico, Netherlands Antilles and Venezuela) had effective U.S. tax rates over 29 percent.

SUMMARY

U.S. source income paid to foreign recipients totaled over \$55 billion in 1989. U.S. tax withheld on this income amounted to almost \$2 billion. Recipients in the United Kingdom and Japan accounted for almost 50 percent of U.S. income paid to foreign persons. Both of these countries invested more funds than any other country in the United States during the 1980's.

Corporations received more income (\$41.5 billion) and had more tax withheld (over \$1.3 billion) than all other recipient types combined. Interest payments accounted for 60 percent of all income distributed, while dividends accounted for 67 percent of all U.S. tax withheld.

DATA SOURCES AND LIMITATIONS

Payers (or their authorized withholding agents) of most U.S. source income to foreign persons must withhold tax in accordance with the Internal Revenue Code. Form 1042S, *Foreign Persons' U.S. Source Income Subject to Withholding*, is filed by the payer to report this income and the U.S. tax withheld. Often a financial institution acts as the payer's withholding agent.

The statistics in this article were tabulated by calendar year, based on all Forms 1042S filed with the IRS in 1989. The data reflect the income that was paid and the U.S. tax that was withheld in 1989, except for U.S. tax withheld by foreign governments and withholding agents. In a few countries, under treaty provisions, tax is withheld by foreign governments (or authorized entities) for income paid to foreign nominees and fiduciaries if the ultimate recipient is unknown. The purpose of such tax withholding is to prevent persons in nontreaty countries from reaping treaty benefits by indirectly channelling their income through a treaty country. When the ultimate recipient is not entitled to the treaty benefits, the foreign government (or withholding agent) remits the tax withheld back to the United States. This additional tax, therefore, is not generally attributed to specific income types and years. For this reason, the statistics in this article do not include tax withheld by foreign governments and foreign withholding agents (except for Canada, which remits its tax payments during the same calendar year in which the U.S. income

is paid). These amounts, however, are shown in Column 7 of Table 1.

Income that is "effectively connected" with a foreign person's U.S. trade or business is not subject to withholding tax, and is therefore generally not included in these statistics. This category of income was subject to the same graduated tax rates and methods of payment as the income of U.S. individuals and corporations.

Because all Forms 1042S are included in the statistics, the data are not subject to sampling error. However, the data are subject to nonsampling error, such as computer data entry errors and minor taxpayer reporting errors. A limited computerized program was used to test the data for certain basic numerical relationships, including the calculation of the correct tax withheld. In addition, Forms 1042S with income greater than \$2 million were manually verified.

EXPLANATION OF SELECTED TERMS

Effective Tax Rate.—For purposes of this article, the effective tax rate is total U.S. taxes divided by total income.

Foreign Persons.—For purposes of this article, foreign persons include (a) individuals whose residence is not within the United States and who are not U.S. citizens; and (b) corporations and other organizations (partnerships, private foundations, estates, trusts and other entities) created or organized outside the United States. For purposes of this article, persons residing in Puerto Rico and U.S. possessions are also considered foreign persons.

Income Effectively Connected With a U.S. Trade or Business.—Income that is "effectively connected" with a U.S. trade or business is exempt from withholding tax requirements. This income is taxed in the same manner as income paid to U.S. citizens and residents. Foreign corporations (individuals) must report such income on a Form 1120F (1040NR). This income is taxed at ordinary graduated U.S. rates. Effectively connected income may be erroneously reported on Forms 1042S, but the extent of its inclusion in the statistics is believed to be insignificant although unknown.

Nominee and Fiduciary.—An entity chosen or appointed to accept income for the eventual recipient of the income.

Typically, a financial institution acts as a nominee or fiduciary.

Tax Haven.—Countries having tax and secrecy laws favorable to foreign persons are generally considered to be tax havens.

Withholding Agent.—A withholding agent is any person or entity required to withhold taxes. Usually the withholding agent is the payer of the income or an entity (normally a financial institution) acting on behalf of the payer.

NOTES AND REFERENCES

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- [2] Doernberg, Richard L., *International Taxation*, West Publishing Company, 1988, p. 81.
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- [4] Scholl, Russell B., "The Investment Position of the United States in 1988," *Survey of Current Business*, U.S. Department of Commerce, Bureau of Economic Analysis, June 1990, p. 58.
- [5] Bradford, John J., "Foreign Recipients of U.S. Income, 1988," *Statistics of Income Bulletin*, Winter 1990-1991, Volume 10, Number 3.
- [6] Scholl, *op. cit.*, p. 59.
- [7] Dick, Ryan, and Jarchow, *913 Tax Management Portfolio, U.S. Income Taxation of Foreign Governments, International Organizations and Their Employees*, Tax Management Inc., Bureau of National Affairs, 1990.
- [8] Scholl, *op. cit.*, pp. 58-64. All statistics in this paragraph come from this source.
- [9] "Whatever happened to saving?," *op. cit.*, p. 13.
- [10] Daniels, John and Radebaugh, Lee, *International Business*, Addison-Wesley Publishers Company, 1989, pp. 312-314.
- [11] Lewis, Margaret P., "Foreign Recipients of U.S. Income, 1985," *Statistics of Income Bulletin*, Fall 1987, Volume 7, Number 2.

Foreign Recipients of U.S. Income, 1989

Table 1.—Forms 1042S: Number of Returns, Total Income Paid, Tax Withheld, by Selected Treaty and Nontreaty Countries

(Money amounts are in thousands of dollars)

Country or geographic area	Number of Forms 1042S	Income paid			U.S. tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	By domestic withholding agents	By foreign governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	1,290,140	55,047,138	39,028,862	17,018,276	2,105,738	1,964,374	141,364
Treaty countries, total	944,754	49,542,478	34,028,370	15,514,511	1,776,293	1,634,929	141,364
Australia.....	22,824	528,213	286,364	241,849	34,702	34,702	--
Austria.....	6,096	199,581	173,187	26,394	4,263	4,159	104
Barbados.....	933	59,182	46,384	13,429	2,109	2,109	--
Belgium.....	11,574	874,182	712,692	161,489	27,313	22,579	4,734
Canada.....	252,272	4,195,804	3,072,577	1,123,227	140,837	140,837	--
China.....	11,469	116,230	108,156	8,075	1,388	1,388	--
Cyprus.....	1,040	9,446	7,636	1,810	208	208	--
Denmark.....	3,365	294,078	254,037	40,041	6,003	6,000	3
Egypt.....	1,627	6,251	4,156	2,095	346	346	--
Finland.....	1,456	199,130	185,060	14,070	1,226	1,226	--
France.....	22,990	1,913,535	1,318,075	595,460	56,693	56,380	313
Greece.....	16,344	50,074	12,728	37,346	6,307	6,307	--
Hungary.....	630	8,297	7,508	789	134	134	--
Iceland.....	157	612	287	325	63	63	--
Ireland.....	10,809	91,762	57,613	34,149	4,344	4,344	--
Italy.....	35,628	616,161	481,455	134,706	18,194	18,194	--
Jamaica.....	2,261	9,783	2,801	6,982	1,043	1,043	--
Japan.....	34,474	13,107,452	9,141,120	3,966,332	436,365	436,365	--
Luxembourg.....	4,508	492,706	324,114	168,593	46,731	43,180	3,551
Malta.....	681	2,027	1,831	196	39	39	--
Morocco.....	901	4,624	3,513	1,111	257	257	--
Netherlands Antilles.....	4,428	2,466,407	2,276,377	190,031	53,004	52,142	862
Netherlands.....	13,243	4,266,348	3,630,426	635,921	71,521	70,328	1,195
New Zealand.....	5,848	49,315	33,099	16,216	1,919	1,919	--
Norway.....	7,086	141,601	119,897	21,704	3,460	3,460	--
Pakistan.....	2,985	21,432	20,379	1,053	221	221	--
Philippines.....	27,719	95,276	20,766	74,510	11,972	11,972	--
Poland.....	3,033	16,110	4,992	11,118	1,636	1,636	--
Romania.....	116	3,227	255	2,973	335	335	--
South Korea.....	3,064	79,619	64,506	15,113	1,980	1,980	--
Sweden.....	7,823	359,132	96,563	262,569	20,237	20,237	--
Switzerland.....	35,161	3,134,320	1,560,416	1,573,904	279,530	152,065	127,465
Trinidad and Tobago.....	1,299	3,897	1,101	2,797	482	482	--
United Kingdom.....	296,170	13,639,871	8,194,855	5,445,016	438,516	435,379	3,137
USSR.....	1,036	10,645	9,194	1,451	355	355	--
West Germany.....	93,547	2,475,516	1,794,250	681,667	102,560	102,560	--
Nontreaty countries, total	345,386	5,504,660	4,000,492	1,503,765	329,445	329,445	--
Argentina.....	10,097	37,658	24,666	12,993	2,989	2,989	--
Bahamas.....	5,070	241,343	174,275	67,068	19,826	19,826	--
Bermuda.....	2,975	264,935	170,800	94,135	28,088	28,088	--
Brazil.....	6,305	29,965	17,133	12,833	3,145	3,145	--
British Virgin Islands.....	2,531	155,698	114,603	41,095	11,790	11,790	--
Cayman Islands.....	3,895	386,372	322,131	64,240	19,079	19,079	--
Hong Kong.....	17,488	313,410	207,259	106,151	28,532	28,532	--
Israel.....	7,669	43,723	28,335	15,388	3,610	3,610	--
Jersey.....	765	81,914	46,745	35,169	9,304	9,304	--
Kuwait.....	1,948	403,886	329,904	11,982	3,575	3,575	--
Liberia.....	1,124	63,654	27,457	36,197	10,821	10,821	--
Liechtenstein.....	2,432	48,320	26,711	21,609	6,394	6,394	--
Mexico.....	89,520	338,144	116,865	221,278	39,860	39,860	--
Panama.....	8,930	300,040	212,664	87,376	25,368	25,368	--
Portugal.....	7,673	38,697	15,193	23,774	3,912	3,912	--
Puerto Rico.....	3,958	15,223	13,031	2,191	562	562	--
Saudi Arabia.....	5,107	125,646	107,753	17,893	5,277	5,277	--
Singapore.....	7,177	228,091	206,171	21,920	6,198	6,198	--
South Africa.....	6,477	31,214	17,683	13,531	3,551	3,551	--
Spain.....	11,061	424,998	385,737	39,261	9,127	9,127	--
Taiwan.....	7,387	187,317	174,968	12,349	2,896	2,896	--
United Arab Emirates.....	909	316,177	315,270	908	270	270	--
Venezuela.....	10,617	37,159	25,295	11,864	3,291	3,291	--
Other nontreaty countries.....	124,271	1,391,076	919,843	471,233	81,980	81,980	--

Note: Detail may not add to totals because of rounding.

Table 2.--Forms 1042S: Number of Returns, Tax Withheld, and Total Income Paid by Income Type, by Selected Recipient Type and Country of Recipient

[Money amounts are in thousands of dollars]

Country or geographic area and recipient type	Number of Forms 1042S	U.S. tax withheld	Income paid					Social security and railroad retirement benefits	Compensation for personal services
			Total	Interest	Dividends	Rents and royalties			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
All countries, total.....	1,280,140	1,964,374	55,047,138	33,267,081	14,577,372	2,611,125	892,583	836,010	
Individuals.....	1,088,309	273,804	3,826,350	1,407,798	591,633	184,132	892,583	280,886	
Corporations.....	90,196	1,232,283	41,541,348	26,162,471	10,813,748	2,235,770	--	492,139	
Algeria.....	112	5,075	17,043	47	16,817	8	14	42	
Individuals.....	96	26	206	13	14	--	14	42	
Corporations.....	5	5,047	16,831	32	16,800	--	--	--	
Argentina.....	10,097	2,989	37,658	22,825	4,065	227	4,254	2,956	
Individuals.....	8,753	2,528	29,901	16,851	3,215	56	4,254	2,401	
Corporations.....	206	95	3,413	3,112	180	76	--	12	
Australia.....	22,824	34,702	528,213	320,510	133,116	37,852	4,731	8,359	
Individuals.....	19,153	4,474	49,496	22,210	5,649	4,168	4,731	4,477	
Corporations.....	1,770	14,282	357,807	276,890	40,595	26,037	--	2,825	
Austria.....	6,096	4,159	199,580	169,315	15,490	1,045	3,248	4,401	
Individuals.....	3,525	1,544	12,692	1,037	1,773	259	3,248	2,778	
Corporations.....	1,023	1,227	153,189	144,300	6,112	697	--	--	
Bahamas.....	5,070	19,826	241,342	169,743	59,111	2,121	714	523	
Individuals.....	1,856	1,940	10,704	3,613	4,964	2	714	394	
Corporations.....	2,072	11,379	163,374	118,973	35,628	2,104	--	110	
Bahrain.....	592	801	53,743	49,963	3,384	5	7	6	
Individuals.....	418	111	544	140	377	--	7	6	
Corporations.....	79	538	41,927	40,129	1,441	--	--	--	
Barbados.....	933	2,109	59,812	47,849	10,162	62	1,259	4	
Individuals.....	714	289	2,220	294	305	26	1,259	2	
Corporations.....	96	815	18,883	14,146	4,730	--	--	1	
Belgium.....	11,574	22,578	874,181	711,325	98,575	32,817	2,170	9,632	
Individuals.....	9,194	2,121	23,007	4,133	4,666	1,270	2,170	5,841	
Corporations.....	1,098	13,530	227,402	142,568	38,112	31,076	--	3,407	
Bermuda.....	2,975	28,088	264,935	141,675	97,848	5,476	535	10,702	
Individuals.....	1,369	7,281	29,564	4,761	22,718	17	535	243	
Corporations.....	587	14,423	142,193	71,758	47,455	5,457	--	10,455	
Brazil.....	6,305	3,144	29,965	13,592	5,087	1,578	3,477	2,789	
Individuals.....	5,489	2,542	17,410	4,827	3,331	1,193	3,477	2,592	
Corporations.....	149	275	6,854	1,142	1,142	--	--	--	
British Virgin Islands.....	2,531	11,790	155,697	106,546	34,729	6,469	3	27	
Individuals.....	785	715	20,639	17,964	2,265	92	3	27	
Corporations.....	1,180	8,239	103,299	72,032	21,654	6,366	--	--	
Canada.....	252,272	140,836	4,195,803	2,335,931	1,226,367	107,639	209,070	39,905	
Individuals.....	216,060	26,325	428,532	39,405	55,820	19,246	209,070	25,270	
Corporations.....	15,472	100,916	3,354,579	2,142,754	968,198	52,046	--	9,297	
Cayman Islands.....	3,895	19,078	386,371	301,520	62,949	154	366	27	
Individuals.....	578	1,821	11,138	4,065	6,241	74	366	--	
Corporations.....	2,486	13,012	225,663	169,446	37,535	55	--	27	
Chile.....	2,944	1,487	14,768	7,637	3,106	192	1,450	1,126	
Individuals.....	2,413	890	8,660	4,195	1,707	12	1,450	174	
Corporations.....	88	347	4,347	2,501	799	178	--	773	
China.....	11,469	1,388	116,230	53,131	3,058	19	64	45,581	
Individuals.....	10,645	708	62,833	3,445	813	17	64	44,417	
Corporations.....	260	262	19,395	18,276	1,055	1	--	63	
Colombia.....	6,604	1,741	26,252	17,101	3,162	182	3,019	328	
Individuals.....	5,527	1,351	15,149	7,381	2,178	117	3,019	201	
Corporations.....	277	136	7,761	7,328	280	30	--	3	
Costa Rica.....	2,991	1,193	15,290	5,231	1,434	66	2,970	191	
Individuals.....	2,540	900	11,112	1,883	944	49	2,970	188	
Corporations.....	128	227	1,791	1,483	291	16	--	--	
Cyprus.....	1,040	208	9,445	953	212	2,333	782	117	
Individuals.....	991	157	6,264	219	128	(1)	782	117	
Corporations.....	3	18	2,387	--	33	2,325	--	--	
Czechoslovakia.....	1,121	1,185	5,854	317	202	668	3,120	1,126	
Individuals.....	1,020	846	4,607	306	160	32	3,120	565	
Corporations.....	9	41	137	2	23	12	--	100	
Denmark.....	3,365	5,999	294,078	205,428	36,058	21,176	3,566	1,683	
Individuals.....	2,747	973	7,799	876	660	304	3,566	989	
Corporations.....	256	1,017	142,349	109,146	7,716	20,628	--	655	
Dominican Republic.....	3,791	1,474	15,393	3,174	503	93	7,687	492	
Individuals.....	3,520	1,352	13,341	1,540	404	93	7,687	223	
Corporations.....	38	17	1,113	1,051	19	--	--	44	
East Germany.....	361	329	2,162	1,140	132	24	--	447	
Individuals.....	277	300	1,211	390	93	14	--	409	
Corporations.....	8	8	812	789	8	--	--	1	
Ecuador.....	2,510	923	11,740	4,949	875	471	3,716	268	
Individuals.....	2,204	769	7,961	1,632	498	471	3,716	223	
Corporations.....	57	61	1,424	1,309	111	--	--	--	
Egypt.....	1,627	346	6,250	482	1,805	23	24	1,007	
Individuals.....	1,469	134	4,661	286	432	23	24	992	
Corporations.....	23	183	1,266	63	1,201	--	--	2	
El Salvador.....	1,187	495	5,562	1,792	610	82	984	112	
Individuals.....	1,053	439	5,063	1,476	445	82	984	112	
Corporations.....	37	27	201	127	69	(1)	--	--	
Finland.....	1,456	1,225	199,129	154,340	11,395	6,119	2,051	1,805	
Individuals.....	1,160	407	4,031	243	155	32	2,051	1,089	
Corporations.....	183	739	129,777	100,133	11,078	5,994	--	353	
France.....	22,990	56,380	1,913,534	1,144,335	385,335	210,964	11,394	78,706	
Individuals.....	16,598	7,870	110,324	22,744	25,437	19,808	11,394	16,729	
Corporations.....	3,572	25,698	1,524,154	1,027,817	192,017	184,637	--	60,467	

Footnote at end of table.

Foreign Recipients of U.S. Income, 1989

Table 2.--Forms 1042S: Number of Returns, Tax Withheld, and Total Income Paid by Income Type, by Selected Recipient Type and Country of Recipient--Continued

(Money amounts are in thousands of dollars)

Country or geographic area and recipient type	Number of Forms 1042S	U.S. tax withheld	Income paid					Social security and railroad retirement benefits	Compensation for personal services
			Total	Interest	Dividends	Rents and royalties			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Greece.....	16,344	6,307	50,074	5,969	4,818	177	31,542	2,066	
Individuals.....	15,348	5,782	43,607	4,367	2,984	143	31,542	1,892	
Corporations.....	145	143	4,194	2,914	482	2	--	1	
Guernsey.....	399	6,532	36,128	15,038	19,950	233	--	--	
Individuals.....	61	301	2,706	1,641	494	4	--	--	
Corporations.....	203	3,703	22,751	10,457	11,912	229	--	--	
Honduras.....	1,689	591	35,157	1,829	648	25,525	1,098	332	
Individuals.....	1,570	492	8,988	1,580	294	44	1,098	325	
Corporations.....	30	76	25,944	190	270	25,479	--	--	
Hong Kong.....	17,488	28,531	313,410	225,082	68,910	6,409	4,458	1,568	
Individuals.....	12,404	6,838	46,385	21,117	14,469	1,111	4,458	814	
Corporations.....	1,334	13,937	178,275	142,568	27,602	5,296	--	649	
Hungary.....	630	133	8,297	4,762	195	190	167	2,102	
Individuals.....	583	123	3,229	137	111	6	167	1,933	
Corporations.....	6	4	254	(¹)	84	168	--	5	
India.....	3,662	1,566	27,582	11,368	1,074	76	637	6,219	
Individuals.....	3,216	1,330	11,456	386	636	58	637	1,788	
Corporations.....	53	78	6,991	2,361	145	(¹)	--	4,327	
Indonesia.....	1,642	1,345	38,988	32,779	1,944	81	68	2,045	
Individuals.....	1,221	1,040	6,714	2,636	1,033	81	68	2,044	
Corporations.....	154	216	31,265	29,681	577	--	--	1	
Ireland.....	10,809	4,344	91,762	34,289	24,466	462	8,453	6,209	
Individuals.....	10,184	1,846	24,045	9,931	2,300	265	8,453	1,035	
Corporations.....	190	887	54,657	22,805	11,157	107	--	94	
Isle of Man.....	812	1,591	21,871	13,775	4,927	238	--	125	
Individuals.....	609	71	2,790	2,404	183	33	--	--	
Corporations.....	124	1,200	16,955	10,374	3,805	206	--	--	
Israel.....	7,669	3,609	43,722	26,335	4,801	1,237	3,723	2,902	
Individuals.....	5,879	2,534	16,367	3,949	2,167	823	3,723	1,438	
Corporations.....	219	260	16,786	15,755	193	315	--	299	
Italy.....	35,628	18,193	616,161	376,455	71,613	45,921	91,729	15,375	
Individuals.....	33,665	5,570	127,571	4,908	6,343	9,311	91,729	7,240	
Corporations.....	824	7,903	427,165	341,228	37,845	35,664	--	6,309	
Jamaica.....	2,261	1,043	9,782	1,509	911	466	5,161	388	
Individuals.....	2,136	887	7,749	266	211	404	5,161	362	
Corporations.....	28	149	1,018	284	673	61	--	--	
Japan.....	34,474	436,364	13,107,451	10,154,137	1,203,246	572,219	11,227	312,473	
Individuals.....	26,146	15,513	296,690	199,168	50,882	6,581	11,227	14,013	
Corporations.....	6,300	361,658	10,917,779	8,652,852	826,007	550,739	--	296,761	
Jersey.....	765	9,304	81,913	49,667	31,835	105	7	--	
Individuals.....	130	143	886	390	433	23	7	--	
Corporations.....	282	4,634	49,467	32,648	16,729	83	--	--	
Jordan.....	589	126	16,064	13,714	232	2	67	68	
Individuals.....	525	93	2,215	371	126	3	67	66	
Corporations.....	14	3	13,695	13,290	10	--	--	--	
Kuwait.....	1,948	3,575	403,885	311,129	91,340	74	--	358	
Individuals.....	1,491	643	3,410	812	2,011	75	--	83	
Corporations.....	186	1,836	72,745	64,359	7,462	--	--	275	
Lebanon.....	1,679	601	4,219	1,648	1,499	312	284	54	
Individuals.....	1,499	409	3,095	1,264	1,141	33	284	50	
Corporations.....	39	115	514	136	99	280	--	--	
Liberia.....	1,124	10,820	63,654	25,385	34,964	19	55	3	
Individuals.....	436	415	2,669	977	1,319	--	55	3	
Corporations.....	444	2,611	30,901	21,663	7,734	19	--	--	
Liechtenstein.....	2,432	6,393	48,319	26,236	20,441	136	4	745	
Individuals.....	661	1,266	9,345	2,853	6,297	--	4	96	
Corporations.....	1,111	2,461	23,751	15,667	6,976	74	--	648	
Luxembourg.....	4,508	43,180	492,706	316,344	171,735	7	166	412	
Individuals.....	752	2,239	9,643	809	8,167	7	166	377	
Corporations.....	1,856	17,378	257,381	189,463	67,733	(¹)	--	30	
Malaysia.....	1,880	337	53,465	51,801	853	72	24	203	
Individuals.....	1,616	206	1,591	376	430	64	24	199	
Corporations.....	45	14	11,326	11,271	46	8	--	2	
Mexico.....	89,520	39,860	338,143	115,011	22,811	6,734	167,919	6,945	
Individuals.....	84,123	34,133	276,258	70,157	16,657	3,178	167,919	4,019	
Corporations.....	715	3,624	26,186	17,613	1,413	2,998	--	516	
Monaco.....	1,223	2,106	17,276	9,489	5,907	188	87	1,358	
Individuals.....	909	780	6,077	2,612	2,017	163	87	1,002	
Corporations.....	108	584	7,579	5,669	1,835	16	--	10	
Netherlands.....	13,243	70,326	4,266,347	2,070,890	1,837,185	199,540	5,576	23,784	
Individuals.....	8,922	5,354	61,328	12,678	28,533	584	5,576	7,840	
Corporations.....	1,956	32,079	3,766,540	1,895,090	1,567,404	184,254	--	15,360	
Netherlands Antilles.....	4,428	52,142	2,466,407	1,948,113	169,374	36,687	404	137	
Individuals.....	1,640	1,546	10,684	3,295	5,621	700	404	71	
Corporations.....	1,947	41,125	2,318,860	1,835,599	137,431	35,798	--	58	
New Zealand.....	5,848	1,919	49,314	34,078	3,053	9,487	375	676	
Individuals.....	5,363	462	15,697	11,893	1,066	258	375	590	
Corporations.....	154	488	18,264	16,218	1,468	549	--	26	
Norway.....	7,086	3,460	141,601	53,342	7,930	1,818	11,787	2,661	
Individuals.....	6,490	2,231	18,073	1,693	1,206	550	11,787	1,234	
Corporations.....	207	793	89,021	40,477	4,128	1,148	--	1,265	
Oman.....	153	21	7,025	4,435	2,510	11	--	--	
Individuals.....	128	15	207	91	37	11	--	--	
Corporations.....	3	3	13	1	12	--	--	--	

Footnote at end of table.

Foreign Recipients of U.S. Income, 1989

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Table 2.—Forms 1042S: Number of Returns, Tax Withheld, and Total Income Paid by Income Type, by Selected Recipient Type and Country of Recipient—Continued

(Money amounts are in thousands of dollars)

Country or geographic area and recipient type	Number of Forms 1042S	U.S. tax withheld	Income paid					Social security and railroad retirement benefits	Compensation for personal services
			Total	Interest	Dividends	Rents and royalties	Total		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Pakistan.....	2,985	220	21,432	515	407	3	140	1,892	
Individuals.....	2,859	176	21,064	313	285	1	140	1,863	
Corporations.....	11	5	188	170	17	2	—	—	
Panama.....	8,930	25,368	300,040	159,884	116,283	15,100	1,018	884	
Individuals.....	3,036	2,521	20,867	8,619	7,605	256	1,018	213	
Corporations.....	3,908	12,691	213,629	121,854	87,739	1,441	—	404	
Peru.....	2,910	870	10,361	4,803	1,600	406	874	356	
Individuals.....	2,447	585	7,613	2,907	946	390	874	205	
Corporations.....	55	189	956	493	426	13	—	6	
Philippines.....	27,719	11,972	95,275	15,234	4,550	40	66,592	1,957	
Individuals.....	26,915	11,744	82,839	5,626	1,914	37	66,592	1,874	
Corporations.....	131	88	7,235	6,950	234	(¹)	—	2	
Poland.....	3,033	1,636	16,110	772	624	58	9,712	3,668	
Individuals.....	2,964	1,568	14,789	339	70	15	9,712	3,390	
Corporations.....	10	27	993	433	550	—	—	4	
Portugal.....	7,673	3,912	38,966	12,877	2,551	101	20,806	276	
Individuals.....	7,384	3,397	24,062	1,401	919	47	20,806	231	
Corporations.....	101	417	13,910	10,827	1,374	17	—	3	
Puerto Rico.....	3,958	561	15,222	13,696	619	35	488	97	
Individuals.....	3,459	210	1,196	98	342	31	488	11	
Corporations.....	291	320	9,921	9,632	169	1	—	64	
Saudi Arabia.....	5,107	5,277	125,646	66,063	50,296	831	14	7,066	
Individuals.....	3,949	1,622	8,418	2,191	3,913	782	14	174	
Corporations.....	186	2,686	34,464	32,951	1,259	41	—	196	
Singapore.....	7,177	6,197	228,090	154,984	53,071	575	148	269	
Individuals.....	6,123	932	5,230	2,513	1,583	327	148	233	
Corporations.....	285	1,550	46,583	29,561	1,345	248	—	24	
South Africa.....	6,477	3,551	31,213	21,388	3,363	712	529	1,778	
Individuals.....	6,136	1,089	22,407	15,586	1,086	429	529	1,416	
Corporations.....	52	2,194	7,720	5,583	2,075	51	—	11	
South Korea.....	3,064	1,980	79,619	59,602	3,095	19	121	5,485	
Individuals.....	2,728	430	10,629	1,518	495	19	121	5,002	
Corporations.....	107	1,464	35,210	25,035	2,383	—	—	135	
Spain.....	11,061	9,126	424,997	386,846	10,388	2,695	13,415	5,026	
Individuals.....	9,836	4,805	34,461	7,401	4,509	210	13,415	4,284	
Corporations.....	490	2,953	220,859	214,448	3,003	1,585	—	65	
Sweden.....	7,823	20,237	359,132	66,828	235,842	20,332	10,808	16,638	
Individuals.....	6,885	5,906	40,444	2,231	11,102	952	10,808	11,440	
Corporations.....	320	6,733	264,700	37,557	201,350	18,779	—	2,785	
Switzerland.....	35,161	152,064	3,134,319	1,693,379	889,069	461,708	4,755	25,173	
Individuals.....	13,237	10,305	123,680	50,171	49,635	6,423	4,755	5,483	
Corporations.....	15,785	90,324	2,494,686	1,500,199	499,684	442,221	—	18,323	
Taiwan.....	7,387	2,895	187,317	175,688	5,279	375	123	1,267	
Individuals.....	6,107	2,069	16,920	7,753	3,225	371	123	1,151	
Corporations.....	128	395	164,678	163,747	658	4	—	29	
Thailand.....	1,651	509	26,969	24,108	789	383	442	394	
Individuals.....	1,435	458	3,707	1,054	627	383	442	380	
Corporations.....	38	8	10,118	10,095	20	—	—	3	
United Arab Emirates.....	909	270	316,177	137,864	176,735	1	—	2	
Individuals.....	765	161	3,030	854	604	1	—	2	
Corporations.....	41	83	3,565	3,464	101	—	—	—	
United Kingdom.....	296,170	435,378	13,639,871	6,604,858	5,992,923	504,129	42,280	90,958	
Individuals.....	269,860	15,468	873,300	648,654	49,404	27,573	42,280	45,826	
Corporations.....	11,300	312,099	10,742,126	4,841,559	5,148,933	442,265	—	24,592	
Uruguay.....	2,587	907	14,686	10,482	2,678	80	156	54	
Individuals.....	1,405	345	4,519	2,229	870	65	156	6	
Corporations.....	395	264	6,690	5,830	854	—	—	1	
Venezuela.....	10,617	3,290	37,158	23,705	7,425	691	1,118	1,169	
Individuals.....	8,369	2,229	23,029	13,171	4,756	605	1,118	1,004	
Corporations.....	475	415	5,596	4,292	981	30	—	16	
West Germany.....	93,547	102,560	2,475,516	1,388,266	631,021	221,775	36,204	33,638	
Individuals.....	79,307	26,090	339,043	71,277	109,107	67,902	36,204	27,311	
Corporations.....	3,232	60,992	1,729,098	1,108,544	427,650	129,059	—	3,663	
Yugoslavia.....	3,801	2,140	14,897	1,450	490	289	11,656	207	
Individuals.....	3,703	2,057	13,671	592	366	153	11,656	111	
Corporations.....	15	32	344	251	90	—	—	—	
Other countries.....	52,347	32,761	564,145	368,691	373,111	28,167	63,140	37,478	
Individuals.....	46,319	12,281	112,164	34,603	35,610	5,125	63,140	11,593	
Corporations.....	2,436	13,377	368,583	289,939	252,920	18,614	—	21,886	

¹ Less than \$500.

Foreign Corporations with Income Effectively Connected with a U.S. Business, 1988

By James R. Hobbs*

For 1988, there were 9,921 "foreign" corporations (i.e., those incorporated abroad) that reported \$77.1 billion of receipts generated from activities "effectively connected" with a U.S. trade or business. Overall, these companies reported net income (less deficit) of only \$2.6 million from these activities. However, this was the first time in recent years that this amount was not a net loss. Only 3,557 of these companies reported a profit, totaling \$2.7 billion. The remaining companies reported a combined deficit of also \$2.7 billion.

The profitable companies reported taxable (net) income based on effectively connected activities of \$2.0 billion. This resulted in \$669 million of tax before the reduction by credits, which totaled \$25 million.

FOREIGN OPERATIONS IN THE UNITED STATES

Foreign "persons" can establish business operations in the United States through several forms, including corporations, partnerships, and even joint ventures. In regard to corporations, foreigners can either gain control of an existing U.S. company, create a new U.S. company, or operate in the United States as a branch of a foreign company. This article focuses on the latter [1].

There are several factors involved in the decision of a foreign investor to operate in the United States through either a "domestic" or "foreign" corporation [2]. The U.S. tax structure is one of these factors and it is discussed next in this article for foreign corporations operating in the United States.

U.S. TAXATION

Foreign corporations are those that are incorporated abroad. Thus, they are not created or organized in the United States, or under the laws of the United States or any of its States. These corporations are, however, subject to U.S. income tax on income "effectively connected" with the conduct of a U.S. trade or business, as well as on income from U.S. sources that is not effectively

connected. There are two methods of taxation that apply, depending on whether or not the income is considered to be effectively connected with a trade or business in the United States [3].

Foreign corporations are taxed on income effectively connected with a U.S. trade or business in a manner similar to that used to tax the income of domestic corporations. This tax is referred to as "Section 11" tax on Form 1120F, *U.S. Income Tax Return of a Foreign Corporation*. To determine the taxable income, gross income that is effectively connected with a U.S. trade or business is reduced by allowable deductions to the extent that such deductions are related to this income [4]. The same tax method, tax rates, and credits used to reduce tax liability are available to both foreign and domestic corporations.

The Tax Reform Act of 1986 changed the regular corporate tax rates, effective July 1, 1987 [5]. For the period beginning on this date and continuing thereafter, the rates are shown below [6].

<u>Taxable income</u>	<u>Tax rate</u>
\$50,000 or less	15%
\$50,001 to \$75,000	25%
Over \$75,000	34%

If a corporation's taxable income exceeds \$100,000, then the corporation is liable for an additional tax equal to the lesser of (a) 5 percent of the taxable income over \$100,000, or (b) \$11,750.

The 1986 Act also repealed the alternative tax on capital gains beginning July 1, 1987. Previously, companies with net long-term capital gains could use an alternative method of tax computation if it produced a lower amount of tax than under the regular method. Under the alternative method, net long-term capital gains were taxed separately at a rate of 28 percent (34 percent for the period January 1, 1987, to July 1, 1987). The remainder of taxable income was then taxed at the regular rates.

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Under the 1986 Act, corporate long-term capital gains are taxed as ordinary income; there is no alternative tax computation for capital gains.

The 1986 Act replaced the former minimum tax with an alternative minimum tax (AMT). While, in general, the AMT was imposed on a broader income tax base compared to the minimum tax, capital gains of corporations were not included in the base for the AMT, even though they had been for the previous minimum tax. The AMT became effective for tax years beginning after December 31, 1986. Statistics for this tax are shown in Tables 1 and 2.

Credits could be used to reduce the "Section II" tax. For Tax Year 1988, these credits totalled \$25 million. The foreign tax credit accounted for 87 percent of this total. Foreign corporations could also claim a general business credit, an orphan drug credit, a credit for prior-year minimum tax and a credit for fuel produced from a nonconventional source.

Fixed or determinable annual or periodic income from U.S. sources, such as interest, dividends, rents, royalties, annuities and certain gains (such as from the sale or exchange of patents and copyrights) may or may not be effectively connected income [7]. This is determined on the basis of whether the income is from assets used in the conduct of a U.S. trade or business and whether the activities of the U.S. trade or business are a principal factor in producing the income.

A foreign corporation that disposes of U.S. real property interests must treat the gain or loss as effectively connected income, even if the corporation is not otherwise engaged in a U.S. trade or business. In addition, a foreign corporation can elect to treat certain income from U.S. real property as effectively connected income, even if it otherwise would not be considered as this type of income. Included are certain gross rents, royalties and gains. This election permits the corporation to apply deductions against this gross income. For 1988, 63 percent of foreign corporations with U.S. effectively connected income were classified as real estate companies. These are discussed in more detail later in this article.

Certain types of foreign-source income were also considered to be U.S. effectively connected income. For instance, interest received by a foreign bank from sources outside the United States was treated as effectively connected with the conduct of a U.S. trade or business if

the bank had an office in the United States to which the income was attributable and if the interest was derived from banking activities in the United States. Because foreign income taxes were imposed on such interest, banks accounted for all of the total foreign tax credit claimed by foreign corporations with U.S. effectively connected income for 1988.

As mentioned previously, foreign corporations were also taxed on U.S.-source income that was not effectively connected with the conduct of a U.S. trade or business. (This tax is referred to as "Section I" tax on Form 1120F.) This income included certain amounts of investment income, such as interest, dividends, rents, royalties, annuities and gains from the sale or exchange of certain property (such as patents, copyrights, timber and coal). Gross income in these categories was taxed at a rate of 30 percent, unless the rate had been reduced as the result of a tax treaty between the United States and the foreign company's country of incorporation [8, 9].

Basically, then, a foreign corporation's total U.S. tax is the sum of (1) the tax on income effectively connected with the conduct of a U.S. trade or business ("Section II" tax) and (2) the tax on U.S.-source income that was not effectively connected ("Section I" tax). Both of these taxes are shown in Tables 1 and 2. Total tax could also include (1) branch profits and branch-level interest taxes (described below), (2) an alternative minimum tax, (3) an environmental tax, (4) a Personal Holding Company tax, (5) a tax from recapturing prior-year investment credits, and (6) a tax from recapturing prior-year low-income housing credits. Tables 1 and 2 also contain data for the first three of these taxes, for which the amounts for 1988 were significant.

For tax years beginning after 1986, the U.S. branch of a foreign corporation could be subject to a 30-percent tax on amounts considered to be a "dividend equivalent" and on certain "excess interest" deductions used in calculating effectively connected taxable income. Dividend equivalent is the branch's effectively connected earnings and profits for the year, reduced (or increased) by the amount of increase (or decrease) in the branch's U.S. net equity position during the tax year. Section 884 of the Internal Revenue Code specifies the branch profits and branch-level interest taxes. These taxes were subject to modification or elimination by tax treaties.

Under the Superfund Amendments and Reauthorization Act of 1986, corporations were subject to an environmental tax. This tax was based on a modified alternative

minimum taxable income of the corporation in excess of \$2 million. The amount of the excess income was subject to a 0.12 percent rate of tax. For 1988, foreign corporations reported \$2.9 million for the environmental tax.

This article focuses only on data for the 9,921 foreign corporations which had income effectively connected with a U.S. trade or business for 1988. Foreign corporations with only U.S.-source investment income (i.e., income not effectively connected with a U.S. trade or business) are excluded.

GROWTH OF FOREIGN CORPORATIONS

The activity of foreign corporations in the United States has grown at a rapid pace. Total receipts of these corporations from activities effectively connected with a U.S. trade or business grew from \$21 billion for 1983 to \$77 billion for 1988, a 271 percent increase, using current dollars. This growth rate was notably higher than the 44 percent increase for all U.S. corporation income tax returns; 1983 and 1988 receipts were \$7.1 and \$10.3 trillion, respectively (see Figure A). It should be noted that total receipts for domestic corporations includes income from both domestic and foreign activities. Generally, it also includes investment-type income, such as interest and dividends not directly connected with a business activity. The amount of U.S. source, business-related income of domestic corporations for 1983 and 1988 was not separately reported on the corporation income tax return and, thus, not available for comparison to the U.S. effectively connected income of foreign corporations.

As a result of the growth rate of foreign corporations with U.S. effectively connected income, their share of the receipts reported on all corporate returns increased from 0.29 percent for 1983 to 0.75 percent for 1988. While these aggregate percentages are small, foreign corporations accounted for substantially larger portions of the receipts reported for specific industries, particularly banking. This is discussed in the next section of this article.

INDUSTRY CHARACTERISTICS

As can be seen in Figure B, the finance, insurance and real estate industrial division accounted for most of the business activity in the United States by foreign corporations. In fact, for 1988, this division accounted for 77 percent of the returns filed and 83 percent of the total receipts resulting from trade or business effectively connected with a U.S. activity.

Figure A.—Foreign Corporations with Income Effectively Connected with a U.S. Business Compared with All Corporations, 1983-1988

[All figures are estimates based on samples—money amounts are in millions of dollars]

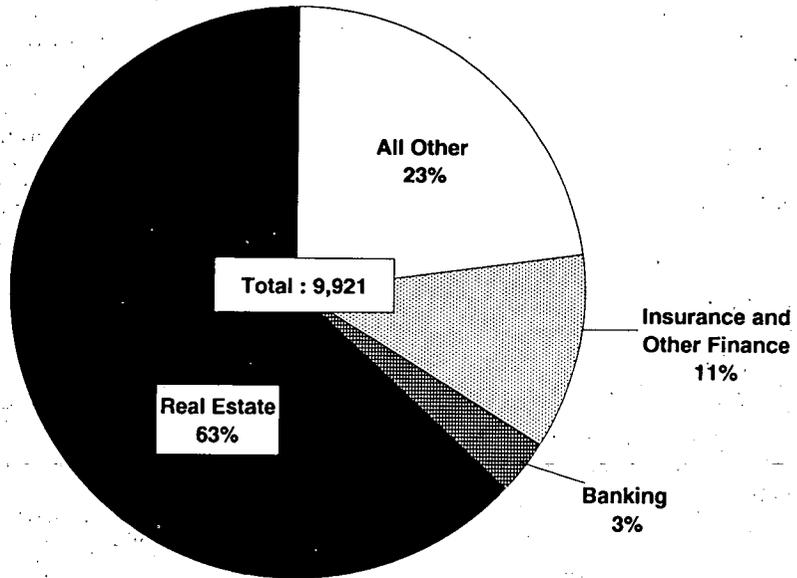
Tax year and item	All corporation income tax returns	Returns of foreign corporations with U.S. effectively connected income
1988		
Number of returns	3,562,789	9,921
Total receipts	\$10,264,867	\$77,121
Net income (less deficit)	412,983	3
U.S. income subject to tax	383,202	1,995
Income tax after credits	91,428	644
1987		
Number of returns	3,612,133	10,478
Total receipts	\$9,580,721	\$61,004
Net income (less deficit)	328,224	-162
U.S. income subject to tax	311,841	1,647
Income tax after credits	83,577	589
1986		
Number of returns	3,428,515	11,342
Total receipts	\$8,669,379	\$43,626
Net income (less deficit)	269,530	-139
U.S. income subject to tax	276,173	1,818
Income tax after credits	71,509	557
1985		
Number of returns	3,277,219	11,693
Total receipts	\$8,398,278	\$50,909
Net income (less deficit)	240,119	-1,487
U.S. income subject to tax	266,061	1,025
Income tax after credits	61,114	339
1984		
Number of returns	3,170,743	10,905
Total receipts	\$7,800,711	\$43,656
Net income (less deficit)	232,901	-1,513
U.S. income subject to tax	257,054	902
Income tax after credits	62,035	301
1983		
Number of returns	2,999,071	8,001
Total receipts	\$7,135,494	\$20,794
Net income (less deficit)	188,314	-1,118
U.S. income subject to tax	218,686	469
Income tax after credits	50,106	136

The 6,245 foreign corporations involved in real estate (63 percent of the total) generated only \$1.9 billion (or 2 percent) of total receipts. This was an average of just \$308,000 per company. As a group, foreign real estate companies reported a net deficit of \$274 million for 1988. For every company that reported a profit (i.e., net income for tax purposes), two others reported a loss (see Figure C).

Foreign banks in the United States reported receipts of \$51.2 billion, or 66 percent of the total U.S. effectively connected income. Foreign countries with the most U.S. effectively connected banking income were: Japan (\$25.8 billion), West Germany (\$5.9 billion), Canada (\$4.2 billion), Italy (\$2.7 billion), France (\$2.4 billion), United Kingdom (\$2.1 billion) and Switzerland (\$1.6 billion). Nearly all (\$46.8 billion) of the banking income was interest. Only 272 banks, 3 percent of all the foreign companies, generated these receipts for 1988.

Figure B
Foreign Corporations with Income Effectively Connected with a U.S. Business,
by Industry, 1988

Number of Returns



Total Receipts

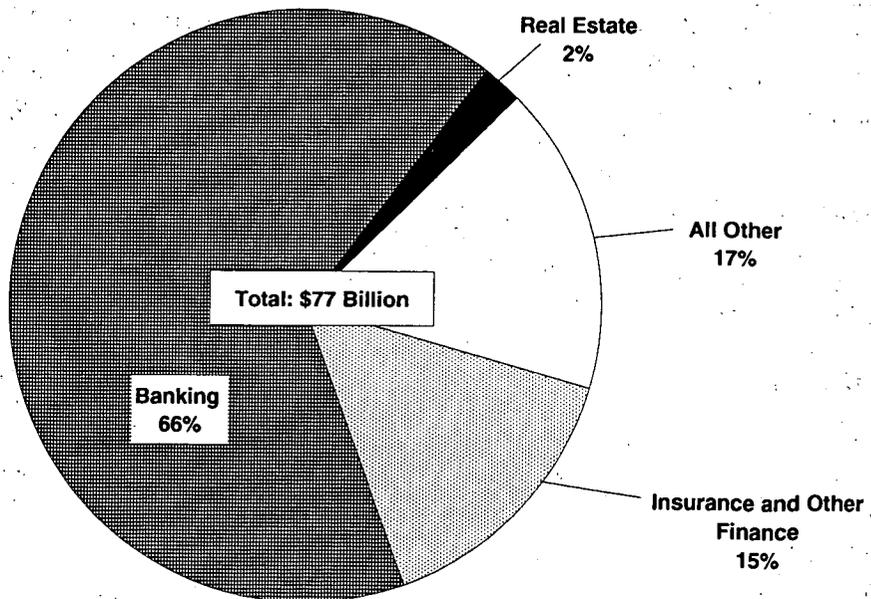


Figure C.--Foreign Real Estate Companies with Income Effectively Connected with a U.S. Business, 1987 and 1988

[All figures are estimates based on samples--money amounts are in millions of dollars]

Item	1988	1987
Number of returns, total	6,245	6,367
With net income	2,072	1,862
Percentage	33.2%	29.2%
Total receipts	\$1,925	\$1,534
Total deductions	2,193	1,856
Net income (less deficit)	-274	-332
Net income	351	238
Deficit	626	570
U.S. income subject to tax	183	124
Income tax:		
Before credits	56	42
After credits	56	41
Income tax after credits as a percentage of total receipts	2.9%	2.7%

The \$51.2 billion in receipts resulting from U.S. effectively connected business operations represented 12 percent of the worldwide receipts (\$442.2 billion) reported on all U.S. corporation income tax returns with banking as the principal business activity. (Refer back to the U.S. Taxation section of this article for a discussion of foreign-source interest received by foreign banks which is considered to be U.S. effectively connected income.)

Figure D compares foreign banks to all banks that filed U.S. income tax returns for 1988. The receipts reported by foreign banks are those effectively connected with a U.S. business, while receipts reported on all U.S. income tax returns of banks represent worldwide activities. Despite this difference, foreign banks tended to be larger, as measured by total receipts, than U.S. banks. The 272 foreign banks averaged \$188 million of receipts from U.S. effectively connected activities, while the 11,398 U.S. banks averaged just \$34 million of receipts from worldwide activities.

Substantially fewer foreign banks reported profits than did all of the banks, 40 percent compared to 73 percent. However, the 110 profitable foreign banks averaged \$15.1 million of net income, while the 8,512 total profitable banks averaged only \$2.9 million of net income. The ratios of U.S. income tax before credits to total receipts were 1.0 percent for foreign banks, compared to 1.7 percent for all of the banks. After credits, the difference in the ratios of tax to receipts narrowed to 1.0 percent versus 1.3 percent. The foreign tax credit was the largest credit claimed by banks.

The wholesale and retail trade industrial division was second to finance, insurance and real estate in total receipts, although it accounted for only 10 percent (or

Figure D.--Foreign Banks with Income Effectively Connected with a U.S. Business Compared with All Banks that Filed U.S. Income Tax Returns, 1988

[All figures are estimates based on samples--money amounts are in millions of dollars]

Item	All corporation income tax returns of banks	Returns of foreign banks with U.S. effectively connected income
Number of returns, total	11,670	272
With net income	8,512	110
Percentage	72.9%	40.4%
Total receipts	\$442,156	\$51,173
Interest	346,465	46,778
Total deductions	419,652	50,402
Interest paid	249,826	41,896
Net income (less deficit)	15,007	764
Net income	24,697	1,656
Deficit	9,690	891
U.S. income subject to tax	22,249	1,509
Income tax before credits	7,538	513
Total credits	1,685	22
Foreign tax credit	1,318	21
Income tax after credits	5,853	491
Income tax before credits as a percentage of total receipts	1.7%	1.0%
Income tax after credits as a percentage of total receipts	1.3	1.0

\$7.8 billion) of the total receipts of all foreign corporations (see Table 1). The corresponding percentage for the finance, insurance and real estate group was 83.

COUNTRY CHARACTERISTICS

Over 71 percent of the 9,921 foreign corporations which reported income effectively connected with a U.S. trade or business for 1988 were incorporated in the following seven countries: Canada, Japan, Netherlands, Netherlands Antilles, Switzerland, United Kingdom and West Germany (see Table 2). These 7,074 companies also accounted for 82 percent of the effectively connected receipts of all foreign corporations operating a U.S. trade or business.

The Netherlands Antilles had the largest number of foreign-incorporated U.S. businesses, 3,451, or nearly 35 percent of the total for 1988. However, this was a substantial decrease from the 4,375 Antilles corporations for 1987. This decrease may be related to the partial termination of the United States-Netherlands Antilles treaty which began in January 1988.

The 3,451 Antilles corporations accounted for only 2 percent of the 1988 effectively connected receipts of all foreign corporations. This coincided with the fact that 2,811 of these corporations were principally involved in

real estate activities and produced only \$774 million of receipts. (Once again, these numbers represent decreases from 1987; for that year, 3,422 real estate corporations produced \$870 million of receipts.) As previously noted, foreign corporations involved in U.S. real estate activities tended to report relatively small amounts of receipts, as compared to those engaged in other business activities.

Japanese corporations reported the largest amount (\$26.9 billion) of U.S. effectively connected receipts for 1988. This was an increase of more than 26 percent from 1987. The majority of the receipts were produced by banks. In fact, U.S. branches of 36 Japanese banks produced \$25.8 billion of U.S. effectively connected receipts, one-third of the total for 1988. In addition, these receipts accounted for 96 percent of the receipts of the 598 Japanese-incorporated businesses operating in the United States.

Twenty-one of these 36 Japanese banks produced \$764 million of taxable (net) income (i.e., "U.S. income subject to tax" in the statistics) as a result of their U.S. effectively connected business activities. (The other 15 banks reported deficits and, as a result, had no taxable income.) This U.S. taxable income resulted in \$260 million of income tax prior to credits. This amount was then reduced by \$21 million of foreign tax credits, which represented over 96 percent of the total foreign tax credits claimed by all foreign corporations with income effectively connected with a U.S. trade or business. The United States allowed a foreign tax credit against income tax for certain taxes paid or accrued to foreign countries. These taxes were based on the corporation's foreign-source taxable income, certain types of which were also considered to be U.S. effectively connected income (see the section entitled U.S. Taxation).

Canadian corporations produced the second largest amount (\$15.8 billion) of U.S. effectively connected receipts for 1988, a 26 percent increase over 1987. Over 90 percent of these receipts were from companies classified in the finance, insurance and real estate industrial division. Insurance companies and banks accounted for most of these receipts, with \$9.5 and \$4.2 billion, respectively.

INCOME STATEMENT AND TAX ITEMS

For 1988, the 9,921 foreign corporations reported receipts totalling \$77 billion from activities effectively connected with a trade or business in the United States.

Business receipts, i.e., gross receipts from sales and operations, amounted to \$23 billion, while \$49 billion was interest income. Most of the interest income was reported by banks, which reported this income separately from other operating income, even though it was their principal source of receipts.

Collectively, foreign corporations claimed \$77 billion in deductions for 1988. Cost of sales and operations was \$16 billion. In conjunction with foreign banks producing large amounts of receipts in the form of interest income, they reported deductions for interest paid totaling \$42 billion. Bearing in mind the predominant effect of banking on these statistics, this amount was 97 percent of the total interest paid by all of the foreign corporations.

Foreign corporations realized an overall net profit of \$3 million from their effectively connected activities. This was the result of 3,557 corporations having \$2.7 billion of profits and 6,364 companies that were without profits, totaling \$2.7 billion of deficits. (A small number of these 6,364 companies were actually "breakeven" companies with equal amounts of receipts and deductions.) Thus, only 36 percent of the foreign corporations reported profits for 1988, as compared to 54 percent of all corporations filing U.S. tax returns. The percentages for 1987 were similar to those for 1988, with only 32 percent of the foreign corporations reporting profits, compared to 55 percent for all corporations. Figure E presents a comparison of the percentages of profitable companies for the period 1984 to 1988. As can be seen in this figure, the percentage of profitable foreign corporations increased somewhat over the 5-year period, particularly for 1988.

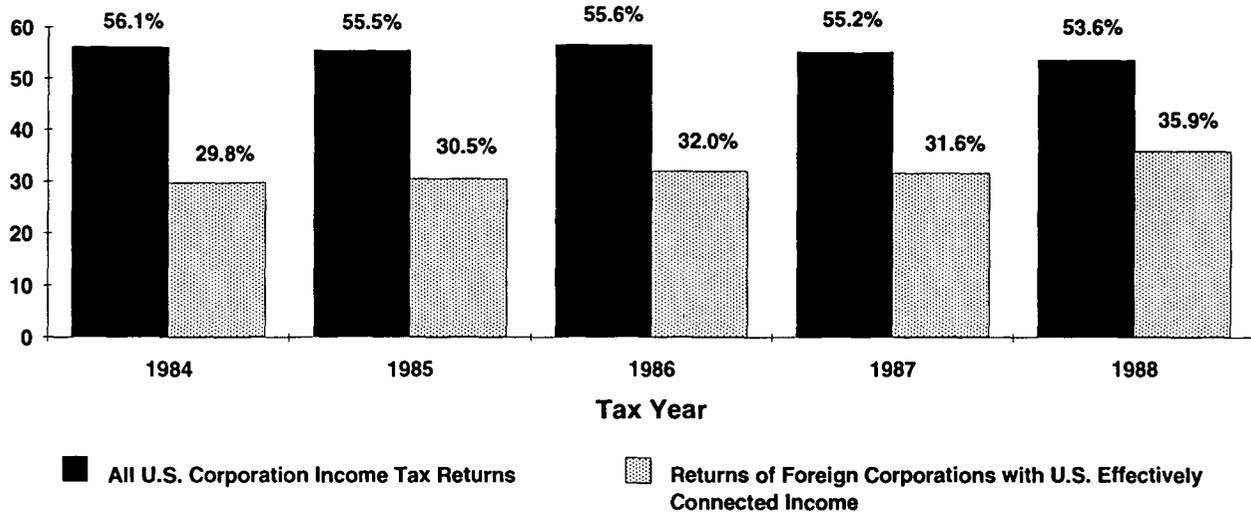
The \$3 million of net profits (i.e., net income (less deficit) in the statistics) for 1988 was an improvement over the \$162 million of net losses for 1987. Several industrial groupings had either larger net profits or smaller net losses for 1988, including the following: construction; manufacturing; wholesale and retail trade; transportation and public utilities; and agriculture, forestry and fishing. Only the overall performance of companies in finance, insurance and real estate was significantly worse for 1988 (with \$387 million of net profits) as compared to 1987 (\$526 million of net profits). However, the percentage of companies in finance, insurance and real estate which reported profits (i.e., net income) increased for 1988, as well as their associated profits, from \$2.1 billion to \$2.4 billion.

For 1988, the profitable foreign corporations had \$2.0 billion of income subject to U.S. tax from their effectively connected activities in a U.S. trade or business. This

Figure E

Percentage of Corporation Returns Reporting Net Income, 1984-1988

[All figures are estimates based on samples]



amount was after net operating loss deductions and special deductions, and resulted in a U.S. income tax of \$669 million before credits. Tax credits of \$25 million reduced this U.S. tax liability. As previously mentioned, foreign tax credits of \$21 million accounted for most of the credits. The \$644 million of tax after credits represents 0.8 percent of the \$77 billion of effectively connected total receipts generated by foreign corporations. In comparing this percentage to the 0.9 percent of tax after credits for all corporations that filed U.S. income tax returns, it should be noted that the receipts of most companies could be from worldwide sources and could include investment-type income as well as receipts from a trade or business activity.

Foreign corporations with effectively connected U.S. trade and business income also incurred another \$43 million of income tax, on U.S.-source income that was not effectively connected with their U.S. operations (i.e., "Section I" tax), as well as \$14 million of taxes on branch profits and branch-level interest, \$10 million of alternative minimum tax, and \$3 million of environmental tax. (While "Section I" tax is shown separately in the statistics, the income on which it was based was not tabulated.) These companies also had small amounts of the tax from recapturing prior-year investment credits and the Personal Holding Company tax. However, none of the foreign corporations sampled for 1988 had any tax from recapturing prior-year low-income housing credits.

SUMMARY

Foreign operations in the United States through corporations continued to grow at a relatively fast rate for 1988. While total receipts reported on all U.S. corporation income tax returns increased from 1987 to 1988 by 7 percent (using current dollars), receipts of foreign corporations with U.S. effectively connected income grew by 26 percent.

Foreign corporations with U.S. effectively connected income were largely involved in finance, insurance and real estate activities. For 1988, this division alone accounted for 83 percent of the total receipts, with only 272 banks actually generating 66 percent of the \$77 billion of total receipts reported by all 9,921 foreign corporations. In fact, U.S. branches of 36 Japanese banks, alone, accounted for \$26 billion, or one-third, of the total receipts.

Tax Year 1988 was the first time in recent years that foreign corporations with income effectively connected with a U.S. trade or business reported net profits (\$3 million). By comparison, these companies had net losses of \$139 million to \$1,513 million for each year between 1983 and 1987.

Japanese corporations accounted for \$27 billion of the total receipts for all foreign corporations with U.S. effectively connected income. This was the largest amount of

any country. Canadian companies were second with nearly \$16 billion. The receipts of Japanese and Canadian companies rose 26 percent, for each group, between 1987 and 1988.

DATA SOURCES AND LIMITATIONS

Sample

For foreign corporations with income effectively connected with a U.S. trade or business, the statistics are based primarily on samples of Forms 1120F, *U.S. Income Tax Return of a Foreign Corporation*. In addition to this form, the statistics may include data from Form 1120L, *U.S. Life Insurance Company Income Tax Return*, and Form 1120-PC, *U.S. Property and Casualty Insurance Company Income Tax Return*. Forms 1120L and 1120-PC were filed by foreign companies that carried on an insurance business in the United States.

Form 1120F samples were stratified based on the size of total assets and the business activity, even though balance sheet information was not actually tabulated from Forms 1120F. The sampling rates specified for these forms were either 20 percent or 100 percent, depending on the size of total assets and the business activity. Forms 1120L and 1120-PC were stratified based solely on the size of total assets. The sample rates specified for Forms 1120L were either 50 percent or 100 percent, depending on the size of total assets. The sample rates specified for Forms 1120-PC ranged from 0.35 percent to 100 percent, also depending on the size of total assets.

Because the data presented in this article are estimates based on samples, they are subject to sampling error. To properly use the data, the magnitude of the sampling error should be known. Coefficients of variation (CV's) are used to measure that magnitude. For a general discussion of CV's, see the Appendix to this publication. For a more detailed discussion of CV's of corporation statistics in general, see *Statistics of Income—1988, Corporation Income Tax Returns*.

Nonsampling Limitations

Most of the data in this article relate to 1988. However, for each tax year, the estimates cover returns with accounting periods that ended in a 12-month span beginning in July and ending in June. Thus, for Tax Year 1988, the span covered dates ending between July 1988 and June 1989.

As a result of the 12-month span for ending accounting periods, the statistics for each year shown in this article include income received or expenses incurred during a 23-month span. For Tax Year 1988, that span was from August 1987 through June 1989.

Each return used for the statistics was given an industry code during processing. This code was then used as a classifier of the returns by industry. The industry code represented the principal business activity (i.e., the activity which accounted for the largest portion of total receipts) of the corporation filing the return. However, a given return may have been for a company engaged in several business activities. (In general, foreign corporations could not be members of affiliated groups eligible to be included in consolidated returns.) To the extent that some corporations were engaged in many types of business activities, the data in this article are not entirely related to the industrial activity under which they are shown.

The income statement data for foreign corporations shown in this article are only for those corporations which had income effectively connected with a U.S. trade or business. U.S.-source investment income (including interest, dividends, rents, royalties, annuities, and other fixed or determinable annual or periodic income) that was not effectively connected with the conduct of a U.S. trade or business is thus excluded. The tax liability on this U.S. source investment income is, however, shown separately under the heading of "Section I" tax.

EXPLANATION OF SELECTED TERMS

Income Tax.—For foreign corporations, this was the tax on income effectively connected with the conduct of a U.S. trade or business. (For other corporations which filed U.S. income tax returns, this was the "regular" tax; see *Statistics of Income—1988, Corporation Income Tax Returns*, for a description of this term.) This article contains statistics for this tax, both before and after credits. Because this article focuses on income effectively connected with U.S. business activities, the following additional taxes, which a foreign corporation may also have had, were excluded: (1) the tax on U.S.-source income that was not effectively connected ("Section I" tax), (2) branch profits and branch-level interest taxes, (3) an alternative minimum tax, (4) an environmental tax, (5) a Personal Holding Company tax, (6) a tax from recapturing prior-year investment credits, and (7) a tax from recapturing prior-year low-income housing credits. Table 1 contains separate statistics for the first four of these items, which had significant amounts for 1988.

Net Income (or Deficit).—For foreign corporations, this is the difference between gross receipts from activities that are effectively connected with a U.S. trade or business and the ordinary and necessary business deductions that are related to these receipts and allowed by the Internal Revenue Code. It is also referred to as “profits” in this article. Because certain statutory special deductions, including the net operating loss deduction, were allowed corporations in computing their income subject to tax, the statistics for net income are generally larger than the amounts shown for “U.S. income subject to tax,” i.e., the base on which tax was computed.

Person.—This term includes an individual, a trust, estate, partnership, association, company or corporation, under section 7701 of the Internal Revenue Code.

NOTES AND REFERENCES

- [1] For a separate article on domestic corporations that were controlled by foreign persons, see Hobbs, James R., “Domestic Corporations Controlled by Foreign Persons, 1988,” *Statistics of Income Bulletin*, Fall 1991, Volume 11, Number 2.
- [2] Sections 7701(a)(4) and (5) of the Internal Revenue Code define a domestic corporation as one created or organized in the United States or under the laws of the United States or any State. A foreign corporation is thus one which is not domestic.
- [3] Section 864(c) of the Internal Revenue Code and the related Internal Revenue Regulations describe tests to be used in determining whether income is effectively connected with a U.S. trade or business.
- [4] Charitable contributions are deductible, subject to a limitation, whether or not they are related to effectively connected income.
- [5] For a complete discussion of this Act, see U.S. Department of the Treasury, Internal Revenue Service, *Explanation of the Tax Reform Act of 1986 for Business*, Publication 921. This Act is also discussed in *Statistics of Income—Corporation Income Tax Returns*, for 1986 and 1987.
- [6] These rates do not strictly apply to members of “controlled groups” of corporations or to “qualified personal service corporations.” A controlled group of corporations is defined by Internal Revenue Code section 1563. In general, there are two types of controlled groups: parent-subsidiary groups and brother-sister groups. A personal service corporation is a corporation whose principal business activity is the performance of personal services that are substantially performed by employee-owners who own more than 10 percent of the corporation’s outstanding stock. Personal services are those in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting.
- [7] While capital gains that were considered to be effectively connected with a U.S. trade or business were taxable income, other U.S.-source capital gains were exempt from the U.S. income tax.
- [8] For a list of tax treaties, see U.S. Department of the Treasury, Internal Revenue Service, *Withholding of Tax on Nonresident Aliens and Foreign Corporations*, Publication 515.
- [9] Foreign corporations are also subject to a 4 percent tax on one-half of their “gross transportation income.” This income is derived from the transportation of people or property that begins or ends in the United States, or from leasing or renting vessels or aircraft in such transportation. The tax is included in “Section I” tax.

Foreign Corporations with U.S. Operations, 1988

Table 1.--Selected Income and Tax Items, by Selected Industry

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Selected Industry	Number of returns		Total receipts	Business receipts	Interest	Total deductions	Cost of sales and operations	Interest paid	Net income (less deficit)	Net income
	Total	With net income								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All Industries.....	9,921	3,557	77,121,339	23,486,892	49,039,094	77,062,487	16,303,506	43,259,479	2,627	2,673,878
Agriculture, forestry and fishing.....	316	111	140,541	93,671	4,315	146,611	38,704	20,546	-7,356	27,082
Mining.....	458	163	536,882	512,894	4,893	593,409	273,243	26,562	-56,636	31,796
Construction.....	57	*13	766,154	*714,484	*7,978	722,585	*681,999	*11,583	43,569	*50,683
Manufacturing.....	217	81	1,549,229	1,511,147	8,150	1,574,630	1,253,754	38,869	-25,400	23,965
Transportation and public utilities.....	162	*40	1,714,747	1,695,334	*123	2,043,770	1,228,758	94,687	-329,023	*22,037
Wholesale and retail trade.....	392	185	7,765,896	7,721,982	5,671	7,721,713	7,368,217	28,342	44,173	90,848
Wholesale trade.....	297	140	7,497,844	7,464,859	5,630	7,445,871	7,184,499	25,052	51,973	85,584
Finance, insurance and real estate.....	7,646	2,696	63,888,123	10,773,512	48,995,110	63,445,858	5,294,246	43,004,397	387,428	2,380,341
Banking.....	272	110	51,173,474	2,996,091	46,778,119	50,402,145	--	41,896,255	764,328	1,655,629
Insurance.....	158	85	10,454,208	6,863,793	2,110,521	10,560,387	4,894,041	483,121	-125,613	242,611
Real estate.....	6,245	2,072	1,924,553	834,716	74,375	2,192,988	304,767	575,473	-274,047	351,479
Services.....	551	202	755,912	463,845	12,612	808,848	164,564	34,318	-52,936	44,127
Nature of business not allocable.....	122	66	3,854	*23	*242	5,044	*22	*173	-1,191	3,001

Selected Industry	U.S. income subject to tax	Income tax before credits	Total credits	Income tax after credits	Selected other taxes				Distributions to stockholders except in own stock	
					Section 1 tax	Branch taxes ¹	Alternative minimum tax	Environmental tax	Total	Returns with net income
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All Industries.....	1,994,577	669,008	24,778	644,230	42,584	13,935	10,116	2,869	*94,535	*6,401
Agriculture, forestry and fishing.....	14,734	4,820	*74	*4,746	--	--	--	--	--	--
Mining.....	*22,584	*7,638	--	*7,638	*4,157	*231	--*(?)	26	--	--
Construction.....	*5,579	*1,897	*143	*1,754	*524	*5	365	*53	--	--
Manufacturing.....	21,090	6,880	*61	*6,819	--	*85	*79	--	--	--
Transportation and public utilities.....	*21,820	*7,409	--	*7,409	*1,119	312	--	*(?)	*1,987	*1,987
Wholesale and retail trade.....	49,739	16,459	1,988	14,471	*771	*1,320	*416	390	--	--
Wholesale trade.....	45,454	15,148	1,988	13,160	--	*1,320	*416	390	--	--
Finance, insurance and real estate.....	1,823,177	612,420	*22,512	*589,908	21,216	11,796	9,128	2,400	*92,548	*4,414
Banking.....	1,509,001	513,027	*22,015	*491,012	15,947	2,386	2,694	1,915	--	--
Insurance.....	95,640	32,241	--	32,241	3,312	568	3,210	*260	*89,722	*1,589
Real estate.....	183,491	56,067	*286	*55,781	1,482	8,374	2,302	*142	*2,826	*2,825
Services.....	32,859	10,620	--	10,620	*149	*133	*128	--	--	--
Nature of business not allocable.....	2,995	864	*(?)	*864	*14,648	*54	--	--	--	--

* Estimate should be used with caution because of the small number of returns on which it is based.

¹ Includes the branch profits and branch-level interest taxes.² Less than \$500.

NOTE: Detail may not add to totals because of rounding. Table excludes foreign corporation returns with only income from U.S. sources that was not effectively connected with a U.S. trade or business. Income statement items shown in this table pertain only to the effectively connected income of foreign corporations.

Table 2.--Selected Income and Tax Items, by Selected Country of Incorporation

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Selected country	Number of returns		Total receipts	Business receipts	Interest	Total deductions	Cost of sales and operations	Interest paid	Net income (less deficit)	Net income
	Total	With net income								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All countries	9,921	3,557	77,121,339	23,486,892	49,039,094	77,062,467	16,303,506	43,259,479	2,627	2,673,878
Canada.....	1,863	857	15,817,770	8,215,232	N/A	15,726,593	5,505,194	N/A	81,399	768,751
Latin America, total.....	5,011	1,522	2,971,110	1,775,012	N/A	3,360,476	1,175,421	N/A	-417,187	306,842
Netherlands Antilles.....	3,451	995	1,358,611	727,657	N/A	1,678,282	263,294	N/A	-346,984	204,651
Other Western Hemisphere.....	127	60	263,136	210,112	N/A	202,060	53,490	N/A	59,912	78,879
Europe, total.....	1,645	659	26,991,186	9,672,154	N/A	27,258,534	8,128,014	N/A	-272,949	454,238
France.....	51	*26	2,386,865	133,506	N/A	2,467,104	--	N/A	-80,266	*18,111
Italy.....	23	3	2,738,122	32,444	N/A	2,855,895	*5,822	N/A	-117,773	5,201
Netherlands.....	299	77	1,020,483	175,896	N/A	1,049,351	49,539	N/A	-30,430	50,806
United Kingdom.....	375	150	3,047,961	1,032,374	N/A	3,103,299	812,317	N/A	-52,995	42,407
West Germany.....	262	156	7,491,530	1,712,375	N/A	7,392,725	1,299,414	N/A	92,993	196,927
Switzerland.....	226	70	7,736,412	6,180,386	N/A	7,642,904	5,825,169	N/A	93,508	117,320
Africa.....	207	78	231,571	82,058	N/A	235,362	49,987	N/A	-3,845	5,784
Asia, total.....	869	304	29,353,750	3,057,834	N/A	28,920,714	1,108,877	N/A	432,996	893,407
Japan.....	598	191	26,894,047	2,484,027	N/A	26,177,704	775,871	N/A	715,493	850,006
Oceania.....	89	*31	852,413	93,770	N/A	809,574	*26,402	N/A	42,839	*67,361
Puerto Rico and U.S. possessions.....	46	*28	116,530	*7,616	N/A	131,249	*1,671	N/A	-14,720	*280
Country not stated.....	65	*19	523,874	*373,103	N/A	417,905	*254,449	N/A	94,181	*98,336

Selected country	U.S. income subject to tax	Income tax before credits	Total credits	Income tax after credits	Selected other taxes				Distributions to stockholders except in own stock	
					Section I tax	Branch taxes ¹	Alternative minimum tax	Environmental tax	Total	Returns with net income
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All countries	1,994,577	669,008	24,778	644,230	42,584	13,935	10,116	2,869	*94,535	*6,401
Canada.....	592,586	197,621	59	197,562	6,838	*792	N/A	N/A	*88,370	*237
Latin America, total.....	156,687	50,307	*1,001	49,306	2,968	3,941	N/A	N/A	*888	*886
Netherlands Antilles.....	119,921	38,940	*362	38,578	2,886	2,033	N/A	N/A	--	--
Other Western Hemisphere.....	19,517	6,364	--	6,364	*666	*449	N/A	N/A	*2,452	*2,452
Europe, total.....	296,645	99,782	2,339	97,443	18,494	1,428	N/A	N/A	*2,825	*2,825
France.....	*3,376	*1,125	*35	*1,090	2	176	N/A	N/A	--	--
Italy.....	501	170	15	155	2	146	N/A	N/A	--	--
Netherlands.....	14,701	4,843	138	4,705	*15,003	--	N/A	N/A	--	--
United Kingdom.....	23,105	7,477	--	7,477	*2,142	*139	N/A	N/A	--	--
West Germany.....	181,057	61,339	*63	61,276	* (2)	--	N/A	N/A	*2,825	*2,825
Switzerland.....	59,884	20,212	1,988	18,224	*237	*698	N/A	N/A	--	--
Africa.....	*4,931	*1,455	--	*1,455	*133	*216	N/A	N/A	--	--
Asia, total.....	802,564	272,159	21,098	251,061	13,479	6,993	N/A	N/A	--	--
Japan.....	780,633	264,918	20,843	244,075	13,479	5,763	N/A	N/A	--	--
Oceania.....	*28,358	*9,641	*168	*9,473	* (2)	115	N/A	N/A	--	--
Puerto Rico and U.S. possessions.....	*214	*32	--	*32	--	--	N/A	N/A	--	--
Country not stated.....	*93,075	*31,646	*114	*31,532	7	--	N/A	N/A	--	--

* Estimate should be used with caution because of the small number of returns on which it is based.

¹ Includes the branch profits and branch-level interest taxes.

² Less than \$500.

N/A - Not available.

NOTE: Detail may not add to totals because of rounding. Table excludes foreign corporation returns with only income from U.S. sources that was not effectively connected with a U.S. trade or business. Income statement items shown in this table pertain only to the effectively connected income of foreign corporations.

Nonresident Alien Estates, 1986

By DeWitt Long*

The United States imposes an estate tax based on the portion of the estate of a nonresident alien that is located within the United States. Total gross U.S. estate of \$62.0 million and total U.S. estate tax after credits of \$6.5 million was reported for the estates of nonresident aliens who died during 1986.

TAXATION OF THE ESTATES OF NONRESIDENT ALIENS

The United States imposes an estate tax on the estates of nonresident aliens. A nonresident alien is an individual who is not a citizen or resident of the United States at the time of the individual's death. For estate tax purposes, residency is equated with domicile, i.e., the individual's permanent home [1]. For a place to qualify as a decedent's domicile, the decedent prior to death must have been physically present there. Further, the decedent must have had no present intent to move from the place. The determination of a decedent's domicile involves an examination of the totality of the decedent's lifestyle to see whether it was centered in the United States or some other place. Among the factors considered are the location of the decedent's family, friends, and religious and social affiliations; the size, cost and location of the decedent's personal residence; the location and the type of business the decedent was engaged in; and the duration and purpose of any time that the decedent spent in the United States [2]. In addition to these factors, the decedent's immigration status is usually considered, although this factor alone is not determinative [3]. Also, the provisions of an applicable estate tax treaty with another country may affect the determination of estate tax residency [4].

In general, the estate of a nonresident alien decedent is taxed on that portion of the alien's gross estate located in the United States [5]. Gross U.S. estate is that part of the nonresident alien's gross estate (determined under Code section 2031) that is located in the United States at the time of the nonresident alien's death, and generally

includes all the nonresident alien's property [6]. The location of property is determined under several general and specific situs rules. Both real property and tangible personal property are sited to the physical location of the property. For example, real estate located in the United States owned by the nonresident alien is included in the decedent's gross U.S. estate, but real estate located outside the United States is not. Intangible property, such as a patent or a copyright, is sited to the location of the person who issues the intangible or against whom the rights to the intangible can be enforced [7]. An interest in a trust or estate is generally sited to the location of the underlying assets [8].

In addition to the general situs rules, the Internal Revenue Code contains special rules for determining the location of particular types of property. Under Code section 2104, property within the United States includes stock issued by a U.S. corporation [9]. Also, U.S. property includes any property that was transferred by the decedent in a way that would require inclusion of the property in the decedent's gross estate under the provisions of Code sections 2035, 2036, 2037 and 2038, provided that the property was located in the United States at either the time of transfer or the time of the decedent's death [10]. In addition, property within the United States includes the debt obligations of a U.S. person or governmental entity, and deposits in a U.S. branch of a foreign commercial bank [11,12].

Code section 2105 enumerates certain types of property owned by a nonresident alien decedent; considered to be located outside the United States. Property located outside the United States includes proceeds payable under an insurance policy on the life of the decedent, certain types of debt obligations, and works of art on loan for exhibition to a public gallery or museum at the time of the decedent's death [13,14].

The U.S. estate tax is imposed on the decedent's taxable estate. Taxable estate is determined by reducing

*Foreign Returns Analysis Section. Prepared under the direction of Chris Carson, Chief.

the nonresident alien's gross U.S. estate by any allowable deductions [15]. Several types of deductions are allowed to the estates of nonresident aliens. The estate may deduct the same expenses allowed estates of U.S. citizens and residents under Code sections 2053 and 2054. Deductible expenses allowed under Code section 2053 include funeral expenses, administration expenses, claims against the estate, and indebtedness on property (where the total value of the property is included in gross estate). To be deductible, these expenses must be allowed to the estate under the law of the jurisdiction where the estate is administered [16]. Under Code section 2054, the estate can deduct losses incurred during the settlement of the estate from casualty or theft. In computing the allowable deduction for expenses under Code sections 2053 and 2054, the estate must limit the deduction to the ratio that gross U.S. estate bears to gross worldwide estate [17].

In addition to the deduction for expenses under Code sections 2053 and 2054, the estate of a nonresident alien who died during 1986 is allowed a deduction for charitable transfers under Code section 2106(a)(2). The estate can deduct contributions made to public entities or to qualifying U.S. organizations, that meet the tax-exempt requirements of Code section 501(c)(3). Also, in certain cases, a nonresident alien's estate is allowed a deduction for certain transfers of property to the alien's spouse [18].

While the estate tax is imposed on the decedent's taxable estate, the amount of the estate tax is determined by calculating the amount of tax on the sum of the decedent's taxable estate and "adjusted taxable gifts" minus the amount of estate tax on adjusted taxable gifts [19]. The tax rates, which appear in Figure A, are progressive, ranging from 6 percent on amounts less

Figure A.--U.S. Estate Tax Schedule for Nonresident Aliens, 1986

Amount on which tax is computed	Amount of tax
\$100,000 or less.....	6 percent of amount
Over \$100,000 to \$500,000.....	\$6,000 plus 12 percent of excess over \$100,000
Over \$500,000 to \$1,000,000.....	\$54,000 plus 18 percent of excess over \$500,000
Over \$1,000,000 to \$2,000,000.....	\$144,000 plus 24 percent of excess over \$1,000,000
Over \$2,000,000.....	\$384,000 plus 30 percent of excess over \$2,000,000

than \$100,000 to 30 percent on amounts in excess of \$2 million.

The estate of a nonresident alien could reduce its estate tax by claiming several credits. First, the estate could claim a "unified credit" of up to \$3,600. This credit served to effectively exempt estates from the U.S. estate tax if the taxable estate was less than \$60,000 [20]. Also,

the nonresident alien's estate could claim those credits allowed the estates of U.S. citizens and residents under Code sections 2011, 2012, and 2013. Code section 2011 allows a limited credit for State death taxes paid. State death taxes include any estate, inheritance, legacy, or succession tax paid to any State or the District of Columbia on property that was included in gross U.S. estate [21]. Code section 2012 allows a limited credit for taxes paid on gifts when the value of the gifts must be included in gross U.S. estate [22]. Code section 2013 allows a limited credit for taxes on prior transfers, that is, for the Federal estate tax paid on the transfer of property to the decedent by another person who died within 10 years before or 2 years after the decedent.

ESTATE TAXATION OF U.S. CITIZENS AND RESIDENTS AND NONRESIDENT ALIENS

Several major differences exist between the taxation of the estates of nonresident aliens and the estates of citizens and residents of the United States. First, the estate of a U.S. citizen or resident is taxed on its worldwide property, whereas the estate of a nonresident alien is taxed, in general, only on that property located within the United States at the time of death [23].

A second major difference relates to the rate of tax imposed on the estate. The estate of a U.S. citizen or resident is taxed under the rates contained in Code section 2001(c). These rates range from 18 percent for taxable estates of less than \$10,000 to 55 percent for taxable estates over \$3 million. However, the estates of nonresident aliens who died in 1986 are subject to significantly lower estate tax rates under Code section 2101(d) [24].

Two significant differences exist with respect to deductions. The estate of a U.S. citizen or resident is entitled to a marital deduction for all property transferred to the surviving spouse [25]. The estate of a nonresident alien who died in 1986 is generally not entitled to a marital deduction, except as provided for in several estate tax treaties. Also, the estate of a U.S. citizen or resident can deduct virtually all charitable contributions, whereas the estate of a nonresident alien can only deduct certain contributions [26].

A final difference involves allowable credits. The estate of a U.S. citizen or resident is entitled to a unified credit of \$192,800. This credit effectively exempts from tax a taxable estate with less than \$600,000 of assets [27]. As previously mentioned, the estate of nonresident aliens who died in 1986 is entitled to a unified credit of \$3,600.

which effectively exempts estates from estate taxation if taxable estate is less than \$60,000. Also, the credits for State death taxes, gift taxes, and taxes on prior transfers allowed to the estates of nonresident aliens are subject to special limitations [28].

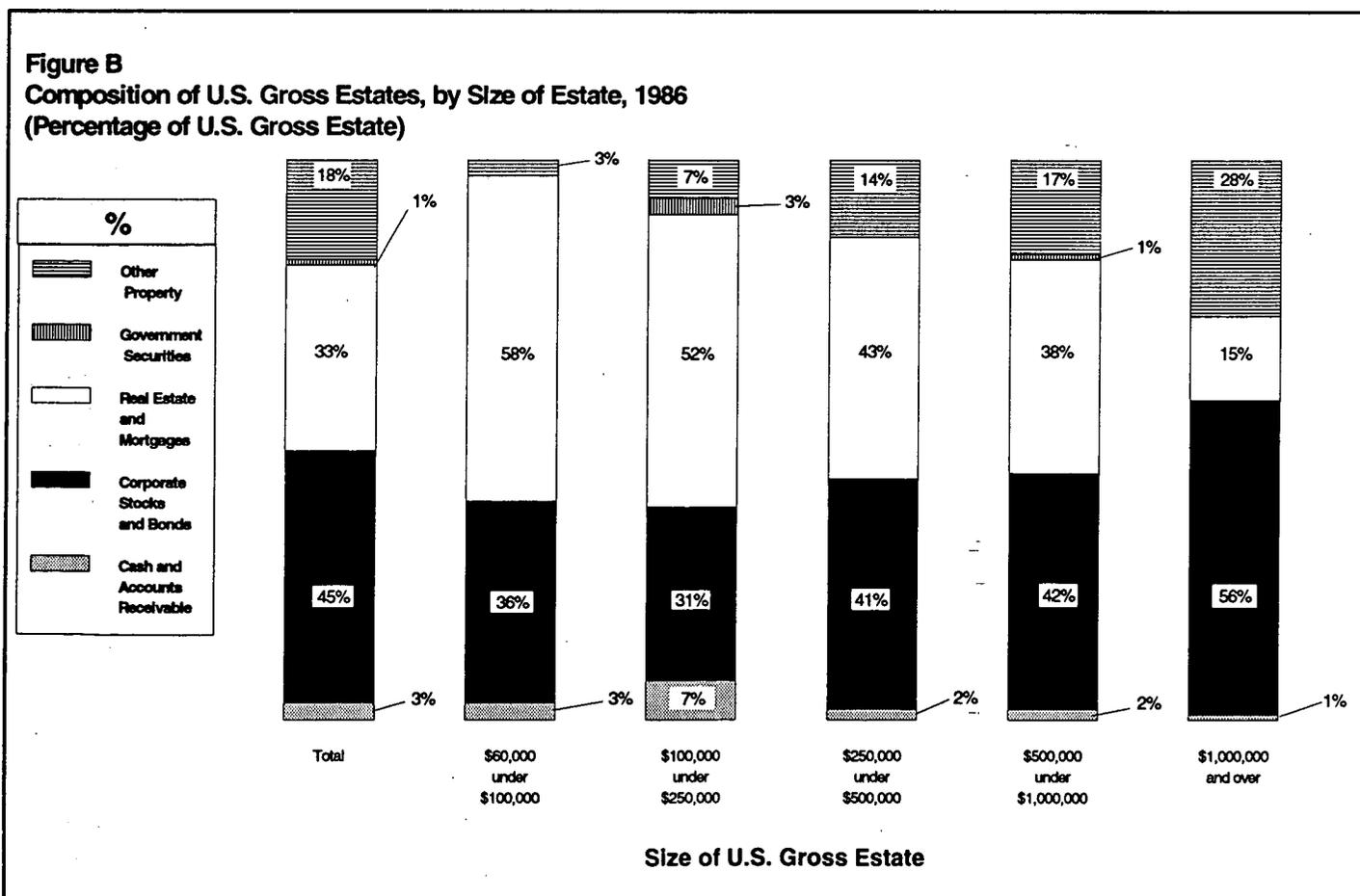
DATA ANALYSIS

Estate tax returns were filed for the estates of 161 nonresident alien decedents who died during 1986. Total gross U.S. estate of \$62,017,417 was reported for these decedents. The average gross U.S. estate was \$385,201, an increase of 38.1 percent from 1982, the last previous year for which data are available.

Of the 161 returns filed, 89 returns showed the foreign component of gross estate, 55.3 percent of the total number of returns. Gross foreign estate had to be reported only if deductions attributable to gross worldwide estate were allocated to gross U.S. estate. These 89 returns showed total gross U.S. estate of \$41,390,447 and total gross worldwide estate of \$218,983,544. Total gross foreign estate was thus \$177,593,097, which was 76.0 percent greater than 1982 [29].

Stocks and bonds, and real estate and mortgages, constituted the largest categories of property in gross U.S. estate. Together these two categories comprised 78.2 percent of total U.S. property reported. The total value of corporate stocks and bonds reported for the estates of nonresident aliens was \$27,770,401. This amount was a 34.4 percent increase over 1982. Real estate and mortgages equaled \$20,709,960, up 4.1 percent from 1982. However, the greatest increase was for "other property," which was reported as \$11,418,566, nearly triple the amount reported for 1982 [30].

As indicated in Figure B, the relative composition of U.S. assets changed with the size of gross estate. In general, the larger the estate, the greater the proportion of stocks and bonds and other property, and the smaller the proportion of real estate and mortgages. With respect to the smallest estates (i.e., those with assets between \$60,000 and \$100,000), real estate constituted 58.2 percent of U.S. assets, stocks and bonds, 35.6 percent, and other property, 3.0 percent. For the largest estates (i.e., those with assets of \$1 million or more), real estate was only 14.8 percent of U.S. property, whereas stocks and bonds constituted 55.7 percent, and other property, 28.1 percent.



With respect to individual countries, the largest number of returns were filed for the estates of Canadian decedents. Estate tax returns were filed for the estates of 51 Canadian decedents. These returns comprised nearly one-third of the total number of returns filed. However, many of these returns were filed for relatively small estates. The average gross U.S. estate for returns of Canadian decedents was only \$219,506. Furthermore, these returns accounted for only 18.1 percent of the total U.S. property reported for nonresident alien estates. United Kingdom (U.K.) decedents also had relatively small estates. Although 7.5 percent of the returns were filed for the estates of U.K. decedents, the average estate size was only \$180,647. U.K. returns accounted for only 3.5 percent of the total U.S. property. On the other hand, the estates of West German and Venezuelan decedents were substantially larger than average. About 6.8 percent of the returns were filed for the estates of West German decedents. These estates had an average size of \$659,718 and accounted for nearly 11.7 percent of total U.S. property. In addition, although only 5.0 percent of the returns were filed for the estates of Venezuelan decedents, these estates had an average size of \$1,740,669 and accounted for 22.5 percent of total U.S. property. However, if the returns filed for the few wealthiest decedents are excluded, the average estate size of Venezuelan decedents was substantially lower.

Expenses of \$21,071,425 were reported for the estates of nonresident aliens. This amount was about \$4 million less than 1982. Of this total, \$6,119,675 were deducted from gross U.S. estate [31]. The combined amount for charitable and marital deductions was \$1,889,995, an increase of 746.8 percent from 1982. This increase appeared to be mainly due to the marital deduction. Ten returns showed marital deductions totalling \$1,858,528 [32].

Total taxable U.S. estate was \$53,933,747, an increase of 30.3 percent over 1982. The gross estate tax was \$8,054,638, so that the average tax rate was 14.9 percent. Credits of \$1,534,235 against the gross estate tax were claimed for the estates of nonresident aliens. The largest credit claimed was for State death taxes, \$849,956. This amount represented a 169.0 percent increase from 1982. The second largest credit was the unified credit, \$613,897, a decrease of 1.4 percent from 1982. After credits, the tax liability of the estates of nonresident aliens was \$6,520,403, an increase of 69.4 percent over 1982.

SUMMARY

The taxable estates of nonresident alien decedents are generally subject to U.S. estate tax on that property

located within the United States. Taxable estate is determined by reducing gross estate by allowable deductions. The estate tax can be reduced by several credits.

Estate tax returns were filed for 161 nonresident alien decedents who died during 1986. Property located within the United States accounted for \$62,017,417 of the worldwide estate of these decedents. The largest categories of U.S. property were stocks and bonds, and real estate and mortgages, which accounted for 44.8 percent and 33.4 percent, respectively, of gross U.S. estate. Taxable estate totaled \$53,933,747, and the gross estate tax equaled \$8,054,638. After taking credits of \$1,534,235, the estates of nonresident aliens faced a U.S. estate tax of \$6,520,403.

DATA SOURCES AND LIMITATIONS

The data contained in this article and the following table were reported on all Forms 706NA, *United States Estate Tax Return, Estate of nonresident not a citizen of the United States*, filed at the IRS Philadelphia Service Center between January 1986, and October 1988, by personal representatives of the decedents reporting a date of death during 1986. No sampling errors exist since the entire population was included in the study. However, the data contained here do not include information reported on returns with a taxable estate of less than \$60,000, returns showing assets exempt from U.S. estate taxation under the provisions of an applicable estate tax treaty, and returns that were erroneously filed.

The personal representative of the estate had 9 months following the decedent's death to file the return. A 6-month extension could be requested. However, possible delinquencies may have occurred. Therefore, the population may be slightly understated.

One potential data limitation should be mentioned. Seventy-three returns did not report any foreign assets. Therefore, the amounts shown in Table 1 for gross foreign estate and gross worldwide estate do not include the foreign assets for all nonresident alien estates.

DEFINITIONS OF SELECTED TERMS

Domicile.—Domicile is the place where an individual's permanent home is located and from which the individual has no present intention of moving.

Gross estate.—Gross estate includes all interests in property that were owned by the decedent at the time of death, that were subject to a power of acquisition at the time of the decedent's death, that were transferred during

the decedent's lifetime in a manner substantially equivalent to a transfer under a will, or that were passed to the decedent tax-free through the use of the marital deduction. Gross worldwide estate includes all property included in gross estate no matter where it is located. However, the foreign component of gross worldwide estate had to be reported only if deductions had to be allocated between the foreign and U.S. estate. Gross U.S. estate includes only that portion of gross estate located within the United States.

Personal representative.—A personal representative is an executor or administrator of an estate.

Taxable estate.—Taxable estate is the value of the decedent's interests in property net of allowable deductions.

NOTES AND REFERENCES

- [1] Treasury Regulation section 20.0-1(b). Residency for estate tax purposes differs from residency for income tax purposes. Under Internal Revenue Code section 7701(b), a resident for income tax purposes is an individual who meets the requirements of either the lawful permanent resident test or the substantial presence test. For additional information about residency requirements for income tax purposes, see, for example, Kaplan, Richard L., *Federal Taxation of International Transactions*, West Publishing Company, 1988, pp. 529-35.
- [2] For additional information about the factors considered in determining domicile, see, for example, Oliver, Harry Gordon, "Estate and Gift Tax Planning for Nonresidents," *International Tax Journal*, Fall 1986, p. 300; and Schuldenfrei, A. Finley, Stark, Elwood V. and Cline, Judith Hankins, "Estate Planning Considerations for Nonresident Aliens," *The Tax Adviser*, November 1985, p. 695.
- [3] Revenue Ruling 80-209, *1980-2 Cumulative Bulletin* 248, U.S. Internal Revenue Service, 1980.
- [4] See, for example, *Estate and Gift Tax Treaty Between the United Kingdom and the United States*, Article 4.
- [5] Special rules apply to the taxation of expatriates and residents of U.S. possessions. Under Code section 2107, an expatriate is a U.S. citizen who has lost citizenship within 10 years of death if a principal purpose for the loss of citizenship was the avoidance of U.S. tax. If a nonresident alien is an expatriate, then the alien's estate is taxed under the tax rates that apply to U.S. citizens and residents. Also, the estate of an expatriate must include in gross U.S. estate the value of the assets of a foreign corporation if the decedent owned (directly or indirectly) 10 percent or more of the voting stock of the corporation, or owned (directly, indirectly, or constructively) at least 50 percent of the total combined voting power of all stock of the corporation. For additional information about these special rules, see, for example, Schuldenfrei, Stark and Cline, *op. cit.*, note 2 on p. 703. In addition, under Code section 2107(c), an expatriate is allowed a unified credit of up to \$13,000. Under Code section 2209, a U.S. citizen residing in a U.S. possession is considered to be a nonresident (and is taxed as such) if the individual acquired U.S. citizenship solely by reason of being a citizen of a U.S. possession, or by birth or residency within a U.S. possession. All other residents of U.S. possessions are treated as citizens of the United States.
- [6] Gross estate includes all property, real or personal, tangible or intangible, that was owned by the decedent at the time of death, that was subject to a power of acquisition at the time of the decedent's death, that was transferred during the decedent's lifetime in a manner substantially equivalent to a transfer under a will, or that was passed to the decedent tax-free through the use of the marital deduction.
- [7] Treasury Regulation section 20.2104-1(a).
- [8] Schuldenfrei, Stark and Cline, *op. cit.*, note 2 on p.700.
- [9] Conversely, the stock of a foreign corporation is generally considered to be property located outside the United States. However, in certain cases, U.S. property owned by a foreign corporation controlled by the nonresident alien may be included in the nonresident alien's gross U.S. estate. For more information about this inclusion of property in the nonresident alien's estate, see, for example, Oliver, *op. cit.*, note 2 on p. 300.
- [10] Code sections 2035-2038 require the inclusion in gross estate of certain property transferred by the decedent with restrictions prior to death. Code

section 2035 requires the inclusion in gross estate of property transferred by the decedent within 3 years of the decedent's death. Code section 2036 requires the inclusion in gross estate of transferred property in which the decedent has either retained the right to possess or enjoy the property, or the power to designate who shall possess or enjoy the property. Code section 2037 requires the inclusion in gross estate of property in which the decedent retained an express reversionary interest that another person can possess or enjoy only by surviving the decedent. Code section 2038 requires the inclusion in gross estate of property transferred by the decedent in which the decedent retained the power to alter, amend, revoke or terminate the transfer.

[11] A U.S. person is a citizen or resident of the United States, a domestic corporation or partnership, and an estate or trust that is not considered under the Internal Revenue Code to be a foreign estate or trust.

[12] Code section 2104 does not apply to a debt obligation if Code section 2105(b) (relating to certain debt obligations considered to be property located outside the United States) applies, or if any interest on the obligation would be treated as income from sources outside the United States under Code section 861(a)(1)(B) (relating to interest from a domestic corporation with less than 20 percent of its gross income over a 3 year period from within the United States), Code section 861(a)(1)(G) (relating to interest on certain foreign debt obligations acquired before July 1, 1974), and Code section 861(a)(1)(H) (relating to interest on certain debt obligations of foreign obligors that are guaranteed by a U.S. person).

[13] The debt obligations considered to be located outside the United States include (1) amounts described in Code section 861(c) (i.e., certain deposits with banks, and savings and loan associations, and amounts held by an insurance company under an agreement to pay interest on the amounts), if the interest on the amounts would be treated under Code section 861(a)(1)(A) as income from sources outside the United States (i.e., interest income not effectively connected with a trade or business within the United States that is deposited in a domestic bank or a U.S. branch of a foreign bank); (2) deposits in a foreign branch of a domestic bank; and (3) debt obligations, if the interest on the obligation were exempt from tax under Code sec-

tion 871(h)(1) (relating to the exemption for portfolio interest from the tax imposed on the income of nonresident aliens not connected with a U.S. business).

[14] In addition to these general and specific situs rules, the location of property may be affected by the provisions of an estate tax treaty.

[15] Code section 2106.

[16] In addition, deductions are limited to the amount of property included in gross U.S. estate.

[17] For example, if gross U.S. estate equals \$1 million, gross worldwide estate equals \$2 million, and expenses under Code sections 2053 and 2054 equal \$500,000, then the allowable deduction under Code section 2106(a)(1) equals:

$$(\$1 \text{ million} / \$2 \text{ million}) \times \$500,000 = \$250,000.$$

[18] A marital deduction may be allowed the estate of a nonresident alien under an applicable tax treaty. For example, Article 8 of the *Estate and Gift Tax Treaty Between the United Kingdom and the United States* allows a marital deduction (to the extent it is allowed to a U.S.-domiciled decedent) for transfers of U.S. property by a U.K.-domiciled decedent to the decedent's spouse.

[19] Adjusted taxable gifts is the total amount of taxable gifts made by the decedent after December 31, 1976, except for gifts otherwise included in the decedent's gross estate. Adjusted taxable gifts is included in the estate tax calculation in order to prevent taxpayers from avoiding the impact of the progressive estate tax rates by making pre-death gifts.

[20] Code section 2102(c). Estate tax returns were not required if taxable estate was less than \$60,000. Therefore, these estates are not included in the statistics.

[21] Two limitations are imposed on the credit that the estate of a nonresident alien can take for State death taxes. Under Code section 2011(b), the credit is limited to a certain percentage of "adjusted taxable estate." In addition, under Code section 2102(b), the State death tax credit is limited to a percentage determined by dividing the value of

property on which the State tax is imposed by the nonresident alien's gross U.S. estate.

- [22] This credit applies only to gifts made before 1977 of property that was subject to gift taxation and which is included in the decedent's gross U.S. estate. With the unification of the estate and gift tax systems by the Tax Reform Act of 1976, the credit is no longer necessary.
- [23] Code sections 2031, 2103.
- [24] In 1988, Code section 2102 was amended so that the rates imposed on U.S. persons under Code section 2001 apply to the estates of nonresident aliens who died after November 10, 1988.
- [25] Code section 2056. There are a number of limitations on the deduction where the interest passing to the surviving spouse is a terminable interest.
- [26] Code sections 2055, 2106(a)(2).
- [27] Code section 2010.
- [28] Code section 2102.
- [29] Gross foreign estate, as well as gross worldwide estate, may be underreported since only 89 returns reported an amount for foreign gross estate.
- [30] As used in this article, "other property" includes all property other than cash and accounts receivable, corporate stocks and bonds, real estate and mortgages, and government securities.
- [31] Expenses were reported on the 89 returns that reported gross foreign estate and by 13 returns which only reported U.S. assets. This latter group showed deductions of \$519,527.
- [32] The amount for the charitable and marital deductions are combined on the Form 706NA, *United States Estate Tax Return, Estate of nonresident not a citizen of the United States*. However, ten returns, accounting for the bulk of the combined charitable and marital deductions had an attached schedule indicating the amount of the marital deduction.

Table 1.—Gross U.S. and Worldwide Estates, Deductions, Taxable Estate, Estate Tax and Credits, by Selected Country of Domicile of Decedent and Size of Gross U.S. Estate

(Money amounts are in full U.S. dollars)

Selected countries and size of gross U.S. estate	Number of returns	Gross estate								Funeral and other expenses
		Worldwide estate ¹	Estate outside the United States ¹	Estate in the United States						
				Total	Type of U.S. property					
					Cash and accounts receivable	Corporate stocks and bonds	Real estate and mortgages	Government securities	Other property ²	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
All countries, total.....	161	239,610,514	177,593,097	62,017,417	1,628,205	27,770,401	20,709,960	490,285	11,418,566	21,071,425
\$60,000 under \$100,000.....	34	8,485,271	5,714,995	2,770,276	89,083	986,594	1,611,121	--	83,478	569,087
\$100,000 under \$250,000.....	66	49,642,744	39,708,853	9,933,891	648,747	3,098,337	5,186,704	308,528	691,575	2,527,501
\$250,000 under \$500,000.....	29	25,101,653	15,151,986	9,949,667	197,111	4,029,293	4,306,528	19,656	1,397,079	3,448,142
\$500,000 under \$1,000,000.....	25	110,376,123	93,949,212	16,426,911	378,019	6,870,443	6,210,107	162,101	2,806,241	9,451,658
\$1,000,000 and over.....	7	46,004,723	23,068,051	22,936,672	315,245	12,785,734	3,395,500	--	6,440,193	5,075,037
Canada, total.....	51	60,044,270	48,849,485	11,194,785	280,383	6,081,661	4,761,995	22,163	48,583	3,964,927
\$60,000 under \$100,000.....	13	5,308,760	4,197,532	1,111,228	869	368,672	736,737	--	4,950	421,817
\$100,000 under \$250,000.....	29	24,523,940	20,390,396	4,133,544	94,155	1,499,657	2,473,936	22,163	43,633	1,835,945
\$250,000 under \$500,000.....	4	7,705,854	6,371,854	1,334,000	--	385,000	949,000	--	--	692,274
\$500,000 and over.....	5	22,505,716	17,889,703	4,616,013	185,359	3,828,332	602,322	--	--	1,014,891
United Kingdom.....	12	11,738,959	9,571,196	2,167,763	8,462	687,291	1,182,611	97,457	191,942	2,710,857
West Germany.....	11	23,465,464	16,208,571	7,256,893	202,320	3,580,816	1,385,449	--	2,088,308	1,604,188
Venezuela.....	8	17,064,530	3,139,179	13,925,351	--	6,663,000	1,253,468	--	6,008,883	3,595,455
Mexico.....	7	2,716,419	1,454,283	1,262,136	--	409,234	781,000	39,577	32,325	45,223
Puerto Rico.....	7	68,479,126	65,620,036	2,859,090	--	1,894,340	904,750	--	60,000	4,858,469
Switzerland.....	6	23,336,356	20,235,278	3,101,078	--	2,107,375	357,000	159,553	477,150	2,042,939
Australia.....	4	4,534,512	1,742,427	2,792,085	381,258	936,628	1,324,826	--	149,373	452,348
Belgium.....	4	465,520	--	465,520	11,214	233,906	220,400	--	--	3,932
Ecuador.....	4	971,550	500	971,050	168,453	194,720	125,000	--	482,877	23,437
Hong Kong.....	4	1,202,177	229,689	972,488	--	435,277	447,000	--	90,211	1,390
France.....	3	795,568	90,147	705,421	--	35,493	617,900	--	52,028	17,015
Italy.....	3	1,385,493	810,687	574,806	142,989	272,811	159,006	--	--	51,458
All other countries ³	37	23,410,570	9,641,619	13,768,951	433,126	4,237,849	7,189,555	171,535	1,736,886	1,699,787

Selected countries and size of gross U.S. estate	Deductions			U.S. taxable estate	Gross estate tax	Credits				U.S. estate tax after credits
	Total	Deduction for expenses	Charitable and marital deductions			Total	Unified credit	Credit for State death taxes	Credit for tax on prior transfers	
All countries, total.....	8,083,670	6,193,675	1,889,995	53,933,747	8,054,638	1,534,235	613,897	849,956	70,382	6,520,403
\$60,000 under \$100,000.....	155,326	155,326	--	2,614,950	160,336	120,878	119,440	220	1,218	39,458
\$100,000 under \$250,000.....	1,428,560	707,599	720,961	8,505,331	644,987	267,490	237,549	29,941	--	377,497
\$250,000 under \$500,000.....	1,388,094	1,037,958	350,136	8,561,573	865,387	224,490	145,308	48,180	31,002	640,897
\$500,000 under \$1,000,000.....	1,478,465	659,567	818,898	14,948,446	1,861,175	323,446	86,400	198,884	38,162	1,537,729
\$1,000,000 and over.....	3,633,225	3,633,225	--	19,303,447	4,522,753	597,931	25,200	572,731	--	3,924,822
Canada, total.....	895,077	664,874	230,203	10,299,708	1,104,534	220,109	169,738	49,153	1,218	884,425
\$60,000 under \$100,000.....	71,205	71,205	--	1,040,023	65,768	44,956	43,738	--	1,218	20,812
\$100,000 under \$250,000.....	620,640	390,437	230,203	3,512,904	250,038	116,597	93,600	22,997	--	133,441
\$250,000 under \$500,000.....	71,420	71,420	--	1,262,580	127,509	19,237	14,400	4,837	--	108,272
\$500,000 and over.....	131,812	131,812	--	4,484,201	661,219	39,319	18,000	21,319	--	621,900
United Kingdom.....	978,510	321,404	657,106	1,189,253	94,113	36,434	32,400	4,034	--	57,679
West Germany.....	427,439	427,439	--	6,829,454	1,224,837	79,717	36,000	43,717	--	1,145,120
Venezuela.....	3,092,199	3,092,199	--	10,833,152	2,738,367	499,889	28,800	471,089	--	2,238,478
Mexico.....	16,851	16,851	--	1,245,285	109,834	36,603	25,200	7,947	3,456	73,231
Puerto Rico.....	236,905	236,905	--	2,622,185	312,417	54,750	28,752	25,998	--	257,667
Switzerland.....	428,778	173,300	255,478	2,672,300	308,588	46,630	45,694	936	--	261,958
Australia.....	314,079	314,079	--	2,478,006	326,303	27,048	10,800	16,248	--	299,255
Belgium.....	149,619	3,932	145,687	315,901	20,278	10,976	10,800	176	--	9,302
Ecuador.....	23,437	23,437	--	947,613	95,642	23,403	14,400	9,003	--	72,239
Hong Kong.....	666	666	--	971,822	92,618	48,723	14,400	6,777	27,546	43,895
France.....	557,994	7,994	550,000	147,427	8,917	7,200	7,200	--	--	1,717
Italy.....	20,185	20,185	--	554,621	48,554	48,554	48,554	--	--	--
All other countries ³	941,931	890,410	51,521	12,827,020	1,569,636	394,199	141,159	214,878	38,162	1,175,437

¹ These amounts may be underreported since only 89 returns reported an amount for "Estate outside the United States." An estate was required to report this amount only if it allocated deductions for its worldwide estate to its U.S. estate. When this amount was not reported, U.S. estate and worldwide estate would be equal.

² Includes personal property.

³ Includes U.S. possessions, except Puerto Rico.

Note: Detail may not add to totals because of rounding.

Data Release

Foreign Sales Corporation Statistics for 1987

Foreign Sales Corporations (FSC's) filed 2,613 income tax returns for Tax Year 1987. A FSC is incorporated in a foreign country or U.S. possession for the purpose of exporting U.S. products. A FSC is entitled to certain tax benefits. In particular, a portion of the "foreign trade income" of a FSC is exempt from U.S. taxation. (Foreign trade income is income attributable to the sale or lease of export property outside the United States and the performance of various types of export services outside the United States.) For 1987, FSC's reported "Schedule P gross receipts" of \$84.3 billion and net exempt income of \$2.1 billion. (Schedule P gross receipts includes gross receipts that the FSC and its related suppliers earned from transactions with third parties.) FSC's were subject to a total U.S. tax of \$0.5 billion on income subject to tax ("taxable income") of \$1.3 billion.

Most FSC returns for 1987 were filed for companies which exported manufactured products. As indicated in Table 1, returns for FSC's exporting manufactured products accounted for 88 percent of all FSC returns filed. Classified by Schedule P gross receipts, the largest product groups were transportation equipment (\$23.2 billion); machinery, except electrical machinery (\$13.4 billion); chemicals and allied products (\$12.2 billion); and electrical machinery, equipment and supplies (\$9.7 billion).

Table 2 contains data for FSC returns classified by the country of incorporation of the FSC. A FSC can only be incorporated in selected foreign countries and U.S. possessions. The largest number of FSC's were incorporated in the U.S. Virgin Islands (65 percent of all FSC's), Guam (15 percent), Jamaica (8 percent), and Barbados (6 percent).

When a FSC engages in a transaction with a related party, the FSC and the related party must allocate the income they receive from the transaction using one of three pricing methods. The three possible pricing methods that can be used are (1) 1.83 percent of gross receipts method (income of the FSC equals 1.83 percent of receipts derived from the sale), (2) 23 percent of combined taxable income method (income of the FSC equals 23 percent of the combined taxable income earned from the transaction by both the FSC and the related party) and (3) Internal Revenue Code section 482 method (income of the FSC equals the amount that the FSC can independently justify on the basis of its sales activity). Different pricing methods can be used for different transactions.

Table 3 presents data classified by the pricing method used for intercompany transactions. The method most often used was the 23 percent of combined taxable income method. Of the 2,324 FSC income tax returns showing the pricing method used for intercompany transactions, 1,412 FSC's (61 percent) reported using only this method. Another 384 FSC's used only the 1.83 percent of gross receipts method (17 percent). Although only 317 FSC's (14 percent) reported using both the combined taxable income and gross receipts methods, these FSC's included many of the larger FSC's, accounting for 61 percent of total gross receipts for all FSC's, as opposed to 26 percent of gross receipts for FSC's using only the combined taxable income method and 10 percent of gross receipts for FSC's using only the gross receipts method.

Explanation of Selected Terms for FSC's Statistics

Administrative Pricing Rules.—These rules are the 1.83 percent of gross receipts method and the 23 percent of combined taxable income method. If one of these two administrative pricing rules are not used, then the Code section 482 method must be used.

Cost of Goods Sold.—Cost of goods sold, including cost of operations, related to foreign trading gross receipts. For “commission FSC’s,” the cost of goods sold was generally factored into the commission calculation and therefore is not shown separately in the tables. In addition, cost of goods sold includes cost of goods sold related to the foreign trading gross receipts in excess of \$5 million that is calculated by small FSC’s.

Direct Costs:

- *Administrative.*—Total foreign direct costs related to foreign trade income from transactions in which the administrative pricing rules were used.
- *Nonadministrative.*—Total foreign direct costs related to foreign trade income from transactions in which the administrative pricing rules were not used.

Net Exempt Income:

- *Administrative.*—Exempt foreign trade income from transactions in which the administrative pricing rules were used, net of deductions related to that exempt foreign trade income.
- *Nonadministrative.*—Exempt foreign trade income from transactions in which the administrative pricing rules were not used, net of deductions related to that exempt foreign trade income.

Net Income.—Total nonexempt income net of all appropriate deductions except the net operating loss and dividends-received deductions, including (1) net income attributable to nonexempt foreign trade income from transactions in which the administrative pricing rules were used; (2) net income attributable to nonexempt foreign trade income from transactions in which the administrative pricing rules were not used, reduced by any nontaxable income (i.e., income that is not “effectively connected” with a U.S. trade or business); and (3) net income attributable to non-foreign trade income.

- *Administrative.*—Net income attributable to nonexempt foreign trade income from transactions in which the administrative pricing rules were used.
- *Nonadministrative.*—Net income attributable to nonexempt foreign trade income from transactions in which the administrative pricing rules were not used.
- *Non-foreign trade.*—Net income attributable to non-foreign trade income.

Schedule P Gross Receipts.—Gross receipts earned by the FSC and related suppliers from transactions with third parties.

Taxable Income.—Total income net of all deductions, including the net operating loss and dividends-received deductions. Taxable income is the same as “income subject to tax” shown in the statistics for U.S. corporations in general (e.g., in Table 13 of the “Selected Historical and Other Data” section of this issue).

Total Foreign Trade Deductions:

- *Administrative.*—Total deductions related to foreign trade income (both exempt and nonexempt) from transactions in which the administrative pricing rules were used. These deductions include foreign direct costs related to foreign trade income from transactions in which the administrative pricing rules were used.
- *Nonadministrative.*—Total deductions related to foreign trade income (both exempt and nonexempt) from transactions in which the administrative pricing rules were not used. These deductions include foreign direct costs related to foreign trade income from transactions in which the administrative pricing rules were not used.

Total (Foreign Trade) Income:

- *Administrative.*—Includes both foreign trading gross receipts (or the commission portion of gross receipts) and other nonexempt foreign trade income earned by FSC's from transactions in which the administrative pricing rules were used.
- *Nonadministrative.*—Includes both foreign trading gross receipts and other nonexempt foreign trade income earned by FSC's from transactions in which the administrative pricing rules were not used.

Total Non-foreign Trade Deductions.—Deductions related to total non-foreign trade income.

All Returns of Active Foreign Sales Corporations

Table 1.—Assets, Receipts, Deductions, Net Income, Exempt Income and Taxes of FSC, by Major Product or Service

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Major product or service	Number of returns	Total assets	Commissions and accounts receivable	Total current and long-term liabilities	Schedule P gross receipts	Total income			Cost of goods sold	Direct costs		Total foreign trade deductions	
						Administrative foreign trade	Non-administrative foreign trade	Non-foreign trade		Administrative	Non-administrative	Administrative	Non-administrative
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
All products and services	2,613	5,562,757	4,579,930	3,116,065	84,280,131	17,629,033	2,658,229	206,584	12,264,906	1,787,658	108,169	3,647,521	337,894
Nonmanufactured products and services	319	466,881	362,589	229,810	10,545,810	943,281	314,629	2,405	451,184	227,737	42,060	370,684	62,459
Grains and soybeans.....	12	142,558	106,982	59,865	6,309,395	315,949	158,662	59	61,314	157,916	37,046	184,289	54,876
Cotton.....	37	44,074	30,042	27,006	760,702	49,037	—	285	—	23,864	—	29,717	—
Crops, except cotton, grains and soybeans.....	34	22,133	19,810	15,992	529,837	26,492	—	63	—	4,363	—	12,694	—
Livestock and livestock products.....	33	18,157	5,234	12,356	395,856	280,174	—	1,833	356,677	—	4,994	15,364	5,454
Fishery products and services.....	33	13,868	11,508	—	240,489	20,107	—	—	—	6,261	—	10,722	—
Metal mining, except iron ores, products and services.....	9	37,239	27,169	4,483	271,919	39,856	—	—	705	911	—	1,150	—
Chemical and fertilizer mineral products and services.....	33	9,964	7,635	3,181	299,123	19,748	—	—	—	8,679	—	10,497	—
Export management services.....	18	22,876	22,775	16,280	136,498	22,832	—	31	—	3,690	11	14,536	31
Computer software.....	20	99,015	99,291	73,906	341,802	97,045	—	—	—	6,037	—	68,168	—
Motion picture distribution.....	32	16,441	10,182	5,237	279,283	29,981	—	9,452	7,065	1,908	—	4,815	579
Engineering and architectural services.....	22	1,677	1,611	177	89,142	6,179	—	—	1,648	101	—	292	—
Manufactured products	2,294	5,095,876	4,217,341	2,886,255	73,734,321	16,685,772	2,343,600	204,179	11,813,722	1,559,922	66,109	3,276,837	275,435
Ordnance and accessories.....	4	15,719	15,680	3,040	10,069	837	—	—	—	7	—	7	44
Ammunition, except for small arms.....	4	15,719	15,680	3,040	10,069	837	—	—	—	7	—	7	44
Food and kindred products	147	136,727	131,701	79,438	2,500,802	658,588	80,546	58,504	540,314	39,609	735	124,165	1,427
Meat products.....	41	31,271	31,104	17,013	727,170	292,830	37,865	38,951	296,787	1,704	735	16,401	880
Canned and preserved fruits, vegetables and seafoods.....	8	9,108	9,057	3,662	264,642	11,195	—	—	—	2,417	—	4,504	—
Grain mill products.....	9	37,228	35,680	31,078	209,175	42,347	—	—	—	11,561	—	34,958	—
Beverages.....	9	9,473	9,342	314	138,988	40,917	—	1	16,612	8,035	—	13,871	—
Tobacco manufactures	10	80,718	79,623	6,220	2,969,015	305,886	—	70	—	147,729	—	214,939	—
Cigarettes.....	3	62,274	62,137	1,691	2,268,159	281,209	—	—	—	146,723	—	206,383	—
Tobacco stemming and redrying.....	6	17,534	17,430	5,943	559,985	17,250	—	—	—	906	—	3,707	—
Textile mill products	17	2,449	2,376	376	181,117	9,991	—	8,430	6,763	1,196	—	4,715	—
Yarn and thread mills.....	8	848	813	27	30,397	2,435	—	—	—	—	—	1,850	—
Apparel and other finished products made from fabrics and similar materials.....	5	1,641	1,580	59	16,182	2,122	—	139	115	328	—	1,098	—
Lumber and wood products, except furniture	34	93,567	62,245	45,751	930,735	469,191	100,020	81,872	399,716	14,680	—	75,124	682
Millwork, veneer, plywood, and prefabricated structural wood products.....	9	54,355	45,684	33,083	390,693	217,783	100,020	81,730	281,177	14,398	—	20,577	682
Furniture and fixtures	14	4,525	4,503	3,718	52,436	17,166	—	—	13,095	947	—	3,151	—
Office furniture.....	3	4,231	4,219	3,702	36,940	1,670	—	—	—	947	—	1,097	—
Paper and allied products	52	156,044	135,704	97,360	1,569,288	263,221	23,597	3,304	32,957	108,129	953	164,093	2,147
Pulp mills.....	8	53,345	52,938	43,838	314,995	63,364	—	—	—	33,386	—	39,825	—
Paper mills, except building paper mills.....	8	25,891	9,691	17,499	123,279	28,569	—	—	17,177	529	4	12,349	150
Paperboard mills.....	4	24,691	22,076	905	578,731	88,636	4,303	7	2,154	57,797	949	60,888	1,996
Converted paper and paperboard products, except boxes.....	15	41,580	41,135	29,050	364,218	49,742	—	3,297	13,626	9,628	—	22,447	—
Paperboard containers and boxes.....	11	661	—	—	41,882	5,194	—	—	—	—	—	4,427	—
Building paper and building board mills.....	6	9,875	9,865	6,069	146,182	27,717	—	—	—	6,789	—	24,158	—
Printing, publishing, and allied products	57	30,510	16,678	7,787	191,020	27,673	12,817	725	9,628	8,280	24	10,841	2,065
Periodicals: publishing, printing.....	6	3,147	2,851	1,482	16,990	3,301	—	—	—	1,295	—	1,389	11
Books.....	47	18,906	5,562	205	133,112	20,636	—	587	—	5,690	—	8,129	—
Chemicals and allied products	173	1,337,691	1,071,698	1,047,039	12,209,528	2,307,578	1,301,753	13,571	1,649,345	625,807	47,491	972,008	121,848
Industrial inorganic and organic chemicals.....	39	632,280	414,890	691,482	3,624,475	447,010	1,259,250	10,718	1,027,773	61,578	44,771	212,452	115,358
Plastic materials, synthetic and other man-made fibers.....	16	308,888	299,262	144,095	4,157,618	783,162	—	83	—	454,474	—	528,976	—
Drugs.....	50	173,161	148,235	98,390	1,898,152	603,776	3,173	183	463,970	24,935	6	46,547	779
Soaps, detergents, and toilet preparations.....	15	15,698	13,039	5,643	68,856	19,128	—	—	—	3,805	—	8,289	—
Paints and allied products.....	8	8,823	6,556	5,097	29,232	19,208	8	24	16,169	87	—	277	8
Gum and wood chemicals.....	3	43,665	42,189	33,109	496,774	92,683	107	1	88	9,979	1	55,105	3
Agricultural chemicals.....	3	17,508	17,448	11,346	214,098	117,809	—	—	98,731	8,086	—	12,022	—

All Returns of Active Foreign Sales Corporations

Table 1.—Assets, Receipts, Deductions, Net Income, Exempt Income and Taxes of FSC, by Major Product or Service—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Major product or service	Total non-foreign trade deductions	Net income			Net income (less deficit)	Net income	Deficit	Taxable income	Net exempt income		Total tax	Income tax
		Administrative	Non-administrative	Non-foreign trade					Administrative	Non-administrative		
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
All products and services	190,439	1,188,034	243,749	16,145	1,294,109	1,294,919	811	1,291,673	2,006,396	104,534	507,111	505,028
Nonmanufactured products and services	1,867	106,870	47,369	538	118,746	118,900	153	118,897	199,971	20,355	45,224	45,115
Grains and soybeans	—	45,795	29,731	59	45,856	45,856	—	45,856	85,864	12,742	17,047	17,024
Cotton	—	6,720	—	285	4,614	4,665	51	4,665	12,600	—	1,873	1,873
Crops, except cotton, grains and soybeans	23	5,495	—	40	1,625	1,637	12	1,637	10,303	—	533	534
Livestock and livestock products	1,788	762	12,554	45	13,361	13,361	—	13,361	1,429	5,380	5,389	5,389
Fishery products and services	—	3,122	—	—	3,122	3,122	—	3,122	6,264	—	1,274	1,273
Metal mining, except iron ores, products and services	—	13,218	—	—	13,218	13,218	—	13,218	24,783	—	5,249	5,184
Chemical and fertilizer mineral products and services	—	3,218	—	—	3,218	3,218	—	3,218	6,033	—	1,212	1,212
Export management services	10	2,886	-22	21	2,885	2,909	24	2,909	5,411	-9	1,159	1,159
Computer software	—	10,070	—	—	10,071	10,071	1	10,069	18,043	—	3,664	3,659
Motion picture distribution	—	8,754	1,230	65	10,048	10,048	—	10,048	16,413	579	3,682	3,675
Engineering and architectural services	1	1,471	—	-1	1,470	1,470	3	1,473	2,768	—	595	595
Manufactured products	188,571	1,081,164	196,381	15,607	1,175,362	1,176,023	657	1,172,776	1,806,424	84,179	461,887	459,913
Ordinance and accessories	—	562	-31	—	531	562	31	562	268	-13	259	259
Ammunition, except for small arms	—	562	-31	—	531	562	31	562	268	-13	259	259
Food and kindred products	58,712	23,669	3,780	-208	24,310	24,330	20	21,964	44,379	1,620	7,913	7,934
Meat products	39,394	4,279	3,281	-443	4,185	4,185	—	4,185	8,022	1,406	1,422	1,445
Canned and preserved fruits, vegetables and seafoods	—	2,328	—	—	2,328	2,328	—	2,328	4,364	—	868	866
Grain mill products	—	2,570	—	—	2,570	2,570	—	2,570	4,819	—	970	970
Beverages	—	3,629	—	1	3,629	3,629	—	3,629	6,805	—	1,384	1,380
Tobacco manufactures	6	31,634	—	65	31,699	31,699	—	31,699	59,313	—	12,749	12,733
Cigarettes	—	26,027	—	—	26,027	26,027	—	26,027	48,799	—	10,414	10,398
Tobacco stemming and redrying	—	4,711	—	—	4,711	4,711	—	4,711	8,833	—	2,009	2,009
Textile mill products	8,345	1,640	—	85	1,725	1,729	4	1,729	3,074	—	680	680
Yarn and thread mills	—	204	—	—	204	204	—	204	382	—	72	72
Apparel and other finished products made from fabrics and similar materials	139	268	—	—	268	268	—	267	502	—	107	107
Lumber and wood products, except furniture	80,718	30,545	1,261	1,155	32,960	32,962	2	32,962	57,461	540	12,900	12,863
Millwork, veneer, plywood, and prefabricated structural wood products	80,715	3,302	1,261	1,015	5,577	5,577	—	5,577	6,381	540	2,040	2,039
Furniture and fixtures	—	320	—	—	320	320	—	320	600	—	123	123
Office furniture	—	199	—	—	199	199	—	199	373	—	74	74
Paper and allied products	3,160	28,593	1,483	143	30,220	30,222	2	30,213	53,612	636	12,123	12,014
Pulp mills	—	8,188	—	—	8,188	8,189	2	8,188	15,352	—	3,282	3,282
Paper mills, except building paper mills	—	5,642	1,376	—	7,018	7,018	—	7,018	10,578	590	2,820	2,808
Paperboard mills	—	9,652	107	7	9,765	9,765	—	9,765	18,097	46	3,909	3,903
Converted paper and paperboard products, except boxes	3,160	3,608	—	137	3,744	3,744	—	3,738	6,764	—	1,513	1,486
Paperboard containers and boxes	—	267	—	—	267	267	—	267	500	—	107	107
Building paper and building board mills	—	1,238	—	—	1,238	1,238	—	1,238	2,321	—	492	429
Printing, publishing, and allied products	35	5,855	787	690	6,537	6,544	8	6,544	10,978	337	2,366	2,364
Periodicals: publishing, printing	—	665	-8	—	657	665	8	665	1,247	-4	256	256
Books	—	4,350	—	587	4,937	4,937	—	4,937	8,156	—	1,734	1,732
Chemicals and allied products	3,710	228,531	149,947	9,861	290,435	290,465	29	290,436	422,191	64,263	115,820	115,524
Industrial inorganic and organic chemicals	3,674	48,641	147,959	7,044	107,542	107,547	5	107,547	90,717	63,411	43,063	42,959
Plastic materials, synthetic and other man-made fibers	—	88,502	—	83	88,585	88,585	—	88,585	165,684	—	35,406	35,288
Drugs	12	33,249	44	171	33,464	33,474	10	33,445	62,340	19	13,311	13,276
Soaps, detergents, and toilet preparations	2	3,770	—	-2	3,768	3,770	2	3,770	7,069	—	1,499	1,498
Paints and allied products	11	960	—	13	972	984	11	984	1,802	—	411	411
Gum and wood chemicals	—	13,071	12	1	13,083	13,083	—	13,083	24,507	5	5,228	5,228
Agricultural chemicals	—	2,455	—	—	2,455	2,455	—	2,455	4,603	—	969	968

Foreign Sales Corporations, 1987

All Returns of Active Foreign Sales Corporations

Table 1.—Assets, Receipts, Deductions, Net Income, Exempt Income and Taxes of FSC, by Major Product or Service—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Major product or service	Number of returns	Total assets	Commissions and accounts receivable	Total current and long-term liabilities	Schedule P gross receipts	Total income			Cost of goods sold	Direct costs		Total foreign trade deductions	
						Administrative foreign trade	Non-administrative foreign trade	Non-foreign trade		Administrative	Non-administrative	Administrative	Non-administrative
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Manufactured products—Continued													
Rubber and miscellaneous plastic products.....	65	28,961	24,315	14,832	882,387	68,379	13,307	380	26,135	9,355	—	27,418	1,627
Tires and inner tubes.....	4	8,735	4,420	517	681,004	36,560	—	341	—	4,375	—	19,456	—
Leather and leather products.....	23	60,476	53,566	49,623	597,755	244,670	177,348	99	390,242	6,473	5,925	10,645	9,518
Footwear, except rubber.....	7	1,591	1,399	1,125	5,239	460	—	—	—	134	—	192	—
Stone, clay, glass and concrete products.....	21	22,104	20,366	11,817	518,736	44,808	—	—	—	3,550	—	24,081	—
Glass products, made or purchased glass.....	16	12,753	12,372	6,570	248,269	21,857	—	—	—	215	—	10,147	—
Primary metal products.....	56	79,273	78,654	48,905	1,060,017	125,099	—	1	16,751	38,440	—	68,050	—
Iron and steel foundries.....	30	12,170	12,131	2,419	169,182	12,601	—	—	—	217	—	1,152	—
Rolling, drawing, and extruding of nonferrous metals.....	4	10,441	10,427	8,543	18,450	—	—	—	16,751	180	—	859	—
Fabricated metal products, except ordnance, machinery and transportation equipment.....	152	99,942	89,251	53,610	1,319,936	170,086	46,634	5,194	76,661	10,509	53	59,099	5,182
Cutlery, hand tools, and general hardware.....	44	24,516	23,956	19,256	207,183	19,391	46,634	101	32,974	1,782	53	6,753	5,182
Heating apparatus and plumbing fixtures.....	32	16,738	14,156	9,590	243,621	45,105	—	67	19,913	3,087	—	16,130	—
Fabricated structural metal products.....	6	348	339	185	24,389	1,387	—	—	—	12	—	20	—
Screw machine products.....	30	66	63	46	5,000	408	—	2	—	—	—	7	—
Metal stampings.....	9	5,241	5,181	513	157,397	16,619	—	—	—	—	—	9,464	—
Machinery, except electrical.....	356	1,184,080	960,791	594,593	13,356,565	2,287,366	81,630	11,177	1,240,125	240,894	1,139	433,282	33,130
Engines and turbines.....	13	446,537	275,620	275,726	2,970,279	1,344,783	36,891	47	1,091,924	16,834	452	84,287	22,008
Farm machinery and equipment.....	16	16,777	15,855	11,680	97,270	13,153	9,286	38	8,863	5,653	—	9,587	417
Construction, mining, and materials handling equipment.....	38	23,973	10,387	9,367	2,041,420	100,891	6,549	135	17,063	19,179	270	35,833	4,262
Metalworking machinery and equipment.....	13	4,020	3,769	1,114	70,171	9,287	—	—	—	1,186	—	6,430	—
Special industry machinery, except metalworking.....	23	72,802	46,067	48,879	444,716	72,765	26,996	9,724	40,475	9,255	390	14,349	6,346
General industry machinery and equipment.....	23	12,680	12,471	1,889	411,470	17,416	—	—	—	1,725	—	5,499	—
Office, computing, and accounting machines.....	124	541,917	540,160	210,963	6,735,710	645,200	—	223	54,920	174,716	—	246,175	—
Service industry machines.....	35	36,781	29,869	23,456	156,290	44,928	—	—	23,248	2,577	—	12,671	—
Electrical machinery, equipment, and supplies.....	536	644,947	544,280	314,372	9,746,845	1,213,516	167,098	19,372	376,445	107,638	70	568,562	21,491
Electrical industrial apparatus.....	41	11,521	11,446	9,141	312,844	17,139	—	28	—	2,986	—	7,398	—
Household appliances.....	17	17,123	16,614	6,383	632,826	58,889	—	—	4,908	14,696	—	35,198	—
Electric lighting and wiring equipment.....	5	9,002	8,179	5,982	129,471	13,109	—	—	—	3,991	—	6,269	—
Radio and television sets, except communication.....	31	15,990	15,659	11,929	88,887	5,684	—	—	—	582	—	3,759	—
Communication equipment.....	55	93,997	91,093	33,617	1,580,136	199,599	—	1	6,128	6,457	—	126,915	—
Electronic components and accessories.....	225	317,613	230,827	168,380	3,884,397	613,690	126,342	885	283,960	45,151	70	277,789	15,998
Transportation equipment.....	178	915,422	756,415	419,095	23,206,536	8,016,074	96,772	648	6,622,026	158,684	6,106	344,824	62,786
Motor vehicles and motor vehicle equipment.....	63	393,147	384,512	81,185	11,982,518	297,247	31,607	408	27,236	67,937	—	131,362	4,300
Aircraft and parts.....	76	498,473	348,158	330,686	10,608,943	7,652,902	65,164	240	6,594,789	54,124	6,106	176,270	58,487
Ship and boat building and repairing.....	33	1,574	1,543	371	18,002	—	—	—	—	207	—	222	—
Professional, scientific, and controlling instruments; photographic and optical goods; watches and clocks.....	175	122,480	102,485	53,545	1,632,740	281,367	211,470	89	291,444	28,500	3,615	128,962	3,662
Engineering, laboratory and scientific equipment.....	46	31,197	30,731	18,308	291,669	46,895	—	—	—	12,246	—	36,573	—
Instruments for measuring physical characteristics.....	75	29,068	28,141	2,855	493,066	90,825	53	49	—	9,111	—	65,219	24
Optical instruments and lenses.....	8	7,372	4,067	511	117,114	7,273	—	—	—	940	—	1,928	—
Surgical, medical, and dental instruments and supplies.....	30	21,111	12,357	3,635	395,406	89,476	—	—	62,709	725	—	9,305	—
Photographic equipment and supplies.....	16	33,732	27,188	28,236	335,484	46,898	211,417	40	228,735	5,479	3,615	15,937	3,638
Miscellaneous manufactured products and manufactured products not allocable.....	216	78,596	65,428	33,072	782,607	172,149	30,610	605	121,960	9,168	—	41,768	9,824
Toys, amusement, sporting and athletic goods.....	53	8,988	7,944	4,054	275,529	35,548	—	3	25,561	848	—	2,185	—

All Returns of Active Foreign Sales Corporations

Table 1.—Assets, Receipts, Deductions, Net Income, Exempt Income and Taxes of FSC, by Major Product or Service—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Major product or service	Total non-foreign trade deductions	Net income			Net income (less deficit)	Net income	Deficit	Taxable income	Net exempt income		Total tax	Income tax
		Administrative	Non-administrative	Non-foreign trade					Administrative	Non-administrative		
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Manufactured products—Continued												
Rubber and miscellaneous plastic products.....	7	8,993	455	373	9,821	9,831	9	9,831	16,862	195	4,007	4,000
Tires and inner tubes.....	7	5,949	—	334	6,283	6,283	—	6,283	11,155	—	2,581	2,575
Leather and leather products.....	—	3,243	1,603	99	4,945	4,948	3	4,948	6,080	687	1,853	1,849
Footwear, except rubber.....	—	93	—	—	93	97	3	97	175	—	38	37
Stone, clay, glass and concrete products.....	—	7,210	—	—	7,210	7,210	—	7,210	13,518	—	3,388	2,783
Glass products, made or purchased glass.....	—	4,073	—	—	4,073	4,073	—	4,073	7,637	—	1,521	1,521
Primary metal products.....	—	14,017	—	1	14,018	14,018	—	14,018	26,281	—	5,496	5,482
Iron and steel foundries.....	—	3,982	—	—	3,982	3,982	—	3,982	7,467	—	1,589	1,575
Rolling, drawing, and extruding of nonferrous metals.....	—	292	—	—	292	292	—	292	548	—	117	117
Fabricated metal products, except ordnance, machinery and transportation equipment.....	4,749	21,601	9,665	445	31,711	31,719	8	31,719	40,177	4,142	12,309	12,289
Cutlery, hand tools, and general hardware.....	27	2,542	9,665	74	12,281	12,281	—	12,281	4,766	4,142	4,854	4,846
Heating apparatus and plumbing fixtures.....	53	3,152	—	14	3,166	3,166	—	3,166	5,910	—	1,252	1,250
Fabricated structural metal products.....	—	475	—	—	475	476	1	476	891	—	195	195
Screw machine products.....	7	139	—	—5	134	140	6	140	261	—	41	41
Metal stampings.....	—	2,489	—	—	2,489	2,489	—	2,489	4,666	—	976	976
Machinery, except electrical.....	10,092	211,661	17,784	1,085	220,112	220,275	163	219,568	381,895	7,658	85,489	85,305
Engines and turbines.....	—	53,156	10,418	47	53,202	53,322	119	53,322	85,483	4,465	21,364	21,271
Farm machinery and equipment.....	1	1,240	4	37	1,282	1,284	3	1,284	2,326	2	492	492
Construction, mining, and materials handling equipment.....	106	16,694	1,601	29	18,324	18,337	14	17,630	31,301	686	7,304	7,282
Metalworking machinery and equipment.....	—	994	—	—	994	995	1	995	1,863	—	400	400
Special industry machinery, except metalworking.....	8,988	7,429	5,237	735	13,401	13,401	—	13,401	13,929	2,281	4,958	4,958
General industry machinery and equipment.....	—	4,145	—	—	4,145	4,145	—	4,145	7,772	—	1,590	1,587
Office, computing, and accounting machines.....	49	119,690	—	174	119,864	119,880	16	119,880	224,415	—	45,941	45,877
Service industry machines.....	—	1,786	—	—	1,786	1,786	—	1,786	3,415	—	700	700
Electrical machinery, equipment, and supplies.....	18,842	157,729	3,454	530	161,712	162,018	306	162,018	224,345	1,460	63,071	62,795
Electrical industrial apparatus.....	1	3,378	—	27	3,405	3,405	—	3,405	6,334	—	1,288	1,288
Household appliances.....	—	6,533	—	—	6,534	6,534	—	6,534	12,250	—	2,610	2,608
Electric lighting and wiring equipment.....	—	2,379	—	—	2,379	2,379	—	2,379	4,461	—	908	906
Radio and television sets, except communication.....	2	670	—	—2	668	670	2	670	1,256	—	155	155
Communication equipment.....	—	25,368	—	1	25,369	25,369	—	25,369	41,187	—	10,135	9,949
Electronic components and accessories.....	508	63,917	3,463	377	67,757	68,050	293	68,050	83,446	1,464	26,199	26,178
Transportation equipment.....	9	272,622	357	639	273,618	273,635	17	273,635	388,157	153	108,894	108,809
Motor vehicles and motor vehicle equipment.....	—	59,068	50	408	59,525	59,525	—	59,525	106,818	21	23,670	23,645
Aircraft and parts.....	9	197,057	308	231	197,596	197,604	9	197,604	269,103	132	78,712	78,671
Ship and boat building and repairing.....	—	401	—	—	401	407	5	407	920	—	61	61
Professional, scientific, and controlling instruments, photographic and optical goods; watches and clocks.....	27	22,155	5,762	61	22,236	22,259	22	22,259	38,341	2,469	8,713	8,375
Engineering, laboratory and scientific equipment.....	—	3,590	—	—	3,590	3,590	—	3,590	6,732	—	1,674	1,366
Instruments for measuring physical characteristics.....	25	9,923	20	24	9,967	9,978	10	9,978	15,641	9	3,525	3,523
Optical instruments and lenses.....	—	1,940	—	—	1,940	1,940	—	1,940	3,404	—	804	801
Surgical, medical, and dental instruments and supplies.....	2	6,074	—	—2	6,072	6,084	12	6,084	11,389	—	2,443	2,418
Photographic equipment and supplies.....	—	627	5,742	40	667	667	—	667	1,176	2,461	267	266
Miscellaneous manufactured products and manufactured products not allocable.....	21	10,318	73	584	10,976	11,007	31	10,874	18,390	31	3,626	3,624
Toys, amusement, sporting and athletic goods.....	—	2,586	—	3	2,589	2,589	—	2,589	5,216	—	662	662

Note: Detail may not add to total because only selected products and services are included.

All Returns of Active Foreign Sales Corporations

Table 2.—Assets, Receipts, Deductions, Net Income, Exempt Income and Taxes of FSC, by Country of Incorporation

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Country	Number of returns	Total assets	Commissions and accounts receivable	Total current and long-term liabilities	Schedule P gross receipts	Total income			Cost of goods sold	Direct costs		Total foreign trade deductions	
						Administrative foreign trade	Non-administrative foreign trade	Non-foreign trade		Administrative	Non-administrative	Administrative	Non-administrative
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
All countries, total	2,613	5,562,757	4,579,930	3,116,065	84,280,131	17,629,033	2,658,229	206,584	12,264,906	1,787,658	108,169	3,647,521	337,894
Latin America, total	367	665,406	642,325	337,229	10,056,683	1,306,824	99,111	2,468	618,742	169,676	452	399,176	36,121
Barbados	163	326,616	316,810	143,069	4,673,668	789,201	38,602	1,416	416,844	54,220	—	184,884	22,047
Jamaica	204	338,790	325,515	194,161	5,383,015	517,623	60,509	1,052	201,898	115,456	—	214,291	14,074
Europe, total	51	958,359	700,187	726,299	10,260,889	625,580	1,481,463	7,493	1,141,830	269,155	48,657	314,990	123,165
Netherlands	51	958,359	700,187	726,299	10,260,889	625,580	1,481,463	7,493	1,141,830	269,155	48,657	314,990	123,165
Asia, total	11	10,526	5,486	7,651	40,315	—	40,315	—	32,049	—	70	—	5,745
South Korea	11	10,526	5,486	7,651	40,315	—	40,315	—	32,049	—	70	—	5,745
U.S. possessions, total	2,085	3,905,784	3,217,824	2,036,760	63,549,649	15,677,694	998,939	196,623	10,438,023	1,347,323	58,990	2,922,250	171,375
Guam	380	932,007	583,923	604,010	16,553,042	10,172,079	300,249	142,455	8,790,457	203,701	31,733	452,466	35,473
U.S. Virgin Islands	1,688	2,960,827	2,623,065	1,426,531	46,879,715	5,475,659	698,690	54,052	1,626,705	1,141,064	27,257	2,464,901	135,902
Other U.S. possessions	17	12,950	10,836	6,219	116,892	29,956	—	116	20,861	2,557	—	4,883	—
Country not stated	100	22,681	14,108	8,125	372,594	18,935	38,400	—	34,262	1,505	—	11,106	1,488

Country	Total non-foreign trade deductions	Net income			Net income (less deficit)	Net income	Deficit	Taxable income	Net exempt income		Total tax	Income tax
		Administrative	Non-administrative	Non-foreign trade					Administrative	Non-administrative		
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
All countries, total	190,439	1,188,034	243,749	16,145	1,294,109	1,294,919	811	1,291,673	2,006,396	104,534	507,111	505,028
Latin America, total	1,286	125,176	10,550	1,182	126,490	126,710	220	126,576	206,755	4,521	49,914	49,836
Barbados	1,245	73,273	10,795	171	73,821	73,830	9	73,830	110,545	4,626	28,423	28,362
Jamaica	41	51,903	-244	1,011	52,669	52,881	212	52,746	96,210	-105	21,491	21,474
Europe, total	315	107,968	155,422	7,179	168,724	168,735	11	168,028	197,059	66,609	64,390	64,245
Netherlands	315	107,968	155,422	7,179	168,724	168,735	11	168,028	197,059	66,609	64,390	64,245
Asia, total	—	—	1,765	—	1,765	1,765	—	1,765	—	756	508	508
South Korea	—	—	1,765	—	1,765	1,765	—	1,765	—	756	508	508
U.S. possessions, total	188,838	952,292	74,157	7,785	992,676	993,245	570	990,842	1,597,352	31,852	390,904	389,107
Guam	141,292	264,167	16,730	1,163	272,369	272,391	22	272,385	462,728	7,170	107,848	107,639
U.S. Virgin Islands	47,546	686,659	57,428	6,506	718,726	719,273	548	716,876	1,131,877	24,682	282,568	280,979
Other U.S. possessions	—	1,465	—	116	1,580	1,580	—	1,580	2,747	—	488	488
Country not stated	—	2,599	1,855	—	4,454	4,463	9	4,463	5,230	795	1,395	1,332

All Returns of Active Foreign Sales Corporations

Table 3.—Assets, Receipts, Deductions, Net Income, Exempt Income and Taxes of FSC, by Intercompany Pricing Method

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Intercompany pricing method	Number of returns	Total assets	Commissions and accounts receivable	Total current and long-term liabilities	Schedule P gross receipts	Total income			Cost of goods sold	Direct costs		Total foreign trade deductions	
						Administrative foreign trade	Non-administrative foreign trade	Non-foreign trade		Administrative	Non-administrative	Administrative	Non-administrative
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
All returns	2,613	5,562,757	4,579,930	3,116,065	84,280,131	17,629,033	2,658,229	206,584	12,264,906	1,787,658	108,169	3,647,521	337,894
Returns showing intercompany pricing method, total	2,324	5,499,288	4,526,260	3,087,591	84,244,851	17,629,033	2,658,229	205,401	12,264,906	1,787,650	108,158	3,647,188	337,722
1.83 percent of gross receipts method only.....	384	259,296	227,586	138,802	8,103,806	877,453	—	41,596	495,609	92,080	—	234,580	—
23 percent of combined taxable income method only....	1,412	1,700,063	1,505,703	846,153	21,702,431	4,399,039	—	33,411	1,848,352	617,832	—	1,410,260	—
Section 482 method only	188	794,937	459,671	767,006	2,606,882	—	2,553,084	127,456	1,891,315	—	77,750	—	300,672
1.83 and 23 percent methods.....	317	2,668,398	2,273,121	1,306,562	51,270,070	12,217,501	—	2,626	7,940,391	1,066,876	—	1,965,424	169
23 percent and section 482 methods	3	19,532	16,891	13,253	56,951	6,894	32,992	74	31,283	211	1,674	1,084	4,171
1.83 percent and section 482 methods	15	28,643	16,799	9,778	169,023	34,373	15,521	123	34,941	194	949	7,657	4,160
All three methods.....	5	28,419	26,489	6,037	335,688	93,773	56,632	116	23,015	10,458	27,785	28,182	28,548
Returns not showing intercompany pricing method ..	289	63,469	53,669	28,474	35,280	—	—	1,183	—	8	11	334	172

Intercompany pricing method	Total non-foreign trade deductions	Net income			Net income (less deficit)	Net income	Deficit	Taxable income	Net exempt income		Total tax	Income tax
		Administrative	Non-administrative	Non-foreign trade					Administrative	Non-administrative		
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
All returns	190,439	1,188,034	243,749	16,145	1,294,109	1,294,919	811	1,291,673	2,006,396	104,534	507,111	505,028
Returns showing intercompany pricing method, total	189,779	1,188,154	243,871	15,622	1,293,827	1,294,191	364	1,290,945	2,006,610	104,585	506,983	504,901
1.83 percent of gross receipts method only.....	40,339	51,261	—	1,257	46,216	46,335	119	46,307	95,386	—	17,871	17,538
23 percent of combined taxable income method only....	30,185	403,147	—	3,226	405,389	405,390	—	403,013	718,233	—	156,895	156,663
Section 482 method only	117,872	—	238,067	9,584	104,528	104,770	242	103,930	—	102,097	40,691	40,612
1.83 and 23 percent methods.....	1,369	709,857	— 119	1,257	710,995	710,997	2	710,997	1,148,200	— 51	280,993	279,579
23 percent and section 482 methods	—	415	1,507	74	1,996	1,996	—	1,996	779	646	779	776
1.83 percent and section 482 methods	2	869	446	120	1,435	1,435	—	1,435	1,629	191	446	445
All three methods.....	11	22,605	3,970	105	23,267	23,267	—	23,267	42,384	1,701	9,309	9,287
Returns not showing intercompany pricing method ..	660	— 120	— 122	523	282	728	447	728	— 214	— 51	128	127

Data Release

Interest Charge-Domestic International Sales Corporation Statistics for 1987

Interest Charge-Domestic International Sales Corporations (IC-DISC's) filed 1,185 income tax returns for Tax Year 1987. An IC-DISC is a domestic corporation created to export U.S. products. The IC-DISC provisions were added to the Internal Revenue Code in 1984 to replace the then-existing DISC rules. To qualify to be an IC-DISC, at least 95 percent of the corporation's assets must be "qualified assets" and at least 95 percent of its gross receipts must be "qualified export receipts." Qualified assets includes property related to exporting. Qualified export receipts includes gross receipts from the sale of qualified assets and various other income related to exporting.

The income of an IC-DISC is generally exempt from U.S. tax. However, certain income of an IC-DISC is taxed to the shareholders of the IC-DISC, generally, U.S. parent corporations. First, the shareholders of the IC-DISC are subject to tax on actual distributions received from the IC-DISC that have not been taxed previously. In addition, the IC-DISC is deemed to distribute annually to its shareholders certain types of income earned by the IC-DISC, including the net income from any export gross receipts over \$10 million. Finally, any undistributed income of the IC-DISC is subject to a tax deferral. However, the shareholders of the IC-DISC must pay an interest charge on the tax that would have been imposed on this income had it not been subject to deferral.

Most IC-DISC returns were filed for companies exporting manufactured products. The largest product groups were electrical machinery, equipment and supplies (18 percent of all IC-DISC's) and machinery, except electrical machinery (14 percent). For 1987, IC-DISC's reported current-year total export gross receipts of \$3.6 billion and taxable income of \$258 million. (Although generally not subject to tax, an IC-DISC must compute taxable income for use in calculating the "deemed distribution" to shareholders. Taxable income is equal to net income reduced by the net operating loss and dividends-received deductions.) IC-DISC's made deemed distributions to shareholders of \$49 million and reported tax-deferred income of \$267 million (see Table 1).

All Returns of Active Interest Charge—Domestic International Sales Corporations

Table 1.—Assets, Receipts, Deductions, Income and Distributions of IC-DISC and Total Export Gross Receipts of IC-DISC and Related U.S. Persons, by Major Product or Service

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Major product or service	Number of returns	Total assets	Qualified assets	Export property	Total current and long-term liabilities	Total qualified export receipts and nonqualified receipts	Qualified export receipts from the sale of export property	Other qualified export receipts	Cost of sales and operations	Total export promotion and other expenses	Export promotion expenses	Net income (less deficit)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
All products and services	1,185	910,910	900,105	46,401	318,316	1,829,245	1,673,285	145,354	1,248,988	323,505	250,079	256,752
Nonmanufactured products and services	100	154,215	153,432	1,385	62,408	346,754	217,186	125,353	172,657	132,715	120,001	41,382
Grains and soybeans	21	8,040	8,040	—	1,102	26,377	25,343	897	21,876	774	752	3,727
Crops, except cotton, grains and soybeans	23	27,056	26,955	41	10,609	96,515	95,392	842	74,546	12,882	3,336	9,086
Livestock and livestock products	6	18,315	17,640	475	11,259	42,943	38,947	268	37,338	2,284	404	3,321
Chemical and fertilizer mineral products and services	3	423	423	—	—	282	275	6	—	1	—	281
Export management services	3	350	350	—	414	24	—	23	—	213	—	-190
Computer software	11	30,492	30,489	—	—	12,627	11,038	1,589	—	1,216	1,216	11,411
Motion picture distribution	3	52,469	52,468	—	36,193	115,513	1,560	113,953	—	110,282	110,197	5,230
Engineering and architectural services	4	2,181	2,180	—	621	2,837	—	2,830	1,572	750	637	515
Manufactured products	1,085	756,695	746,673	45,016	255,908	1,482,490	1,456,099	20,001	1,076,331	190,790	130,078	215,370
Ordnance and accessories	3	1,765	1,754	327	690	4,741	4,615	126	2,651	1,630	1,120	460
Food and kindred products	51	40,174	40,125	4,619	14,587	115,527	114,513	638	93,599	13,597	6,896	8,331
Meat products	9	6,139	6,139	660	2,596	33,701	33,332	103	28,438	3,932	881	1,332
Canned and preserved fruits, vegetables and seafoods	4	6,330	6,330	1,407	756	25,845	25,701	59	21,981	2,084	1,552	1,780
Confectionery and related products	3	1,167	1,167	—	87	4,503	4,503	—	3,675	304	266	524
Beverages	10	8,743	8,714	2,034	1,520	11,362	11,362	259	7,011	2,046	965	2,563
Textile mill products	33	20,836	20,743	2,969	7,841	48,252	46,293	1,902	35,367	8,158	6,577	4,727
Yarn and thread mills	3	448	446	42	388	91	91	—	86	20	—	-14
Apparel and other finished products made from fabrics and similar materials	12	8,336	8,336	139	4,378	29,944	29,813	132	25,900	2,233	1,923	1,811
Lumber and wood products, except furniture	21	19,556	19,498	4,792	3,198	70,718	70,180	144	55,166	7,460	3,807	8,092
Sawmills and planing mills	3	6,360	6,307	3,168	907	18,193	17,961	41	14,302	2,611	815	1,280
Millwork, veneer, plywood, and prefabricated structural wood products	10	3,514	3,514	280	927	16,039	15,997	35	12,841	1,052	852	2,146
Furniture and fixtures	13	5,837	5,837	229	3,453	10,657	10,645	6	8,816	1,213	996	629
Household furniture	4	2,437	2,437	149	1,357	5,927	5,927	1	5,078	593	593	257
Paper and allied products	18	19,933	19,933	212	11,568	62,654	62,487	167	44,317	14,861	1,397	3,477
Paper mills, except building paper mills	3	10,861	10,861	20	8,873	47,274	47,239	35	33,151	13,647	371	476
Converted paper and paperboard products, except boxes	9	6,705	6,705	192	1,951	9,926	9,853	73	7,058	650	489	2,218
Paperboard containers and boxes	3	1,741	1,741	—	706	4,233	4,185	48	4,109	27	19	98
Printing, publishing, and allied products	17	22,150	21,843	131	5,106	30,739	30,126	159	20,139	2,576	1,850	8,024
Periodicals: publishing, printing	7	9,189	9,189	87	2,869	8,905	8,709	-149	4,444	686	571	3,775
Books	8	12,501	12,194	44	2,182	15,511	15,501	10	11,114	1,385	870	3,012
Chemicals and allied products	46	55,768	55,686	1,675	30,064	137,606	134,772	1,508	113,460	11,183	6,866	12,963
Industrial inorganic and organic chemicals	5	22,031	22,031	541	19,091	70,813	70,299	475	64,385	2,905	1,291	3,523
Plastic materials, synthetic and other man-made fibers	7	11,623	11,622	437	3,553	19,319	18,966	105	13,299	3,033	2,615	2,987
Drugs	4	4,938	4,938	—	2,984	10,773	9,877	21	9,194	1,032	374	547
Soaps, detergents, and toilet preparations	6	4,878	4,878	—	178	6,778	6,617	150	4,274	383	263	2,121
Paints and allied products	16	2,312	2,312	152	1,114	4,596	4,410	33	2,007	1,707	1,274	881
Petroleum refining and related products	5	3,449	3,449	—	313	3,166	3,120	43	960	1,025	778	1,180
Rubber and miscellaneous plastics products	17	15,158	15,158	1,073	5,379	32,273	31,147	1,110	25,567	2,388	1,865	4,318
Leather and leather products	9	7,410	7,410	1,339	5,291	31,221	31,204	17	26,608	3,482	1,740	1,131
Handbags and other personal leather goods	5	266	266	—	—	48	48	—	—	—	—	48
Stone, clay, glass, and concrete products	8	4,609	4,609	106	392	4,807	4,578	227	324	336	229	4,147
Glass products, made or purchased glass	4	1,455	1,455	106	154	2,417	2,280	137	115	54	7	2,249

All Returns of Active Interest Charge—Domestic International Sales Corporations

Table 1.—Assets, Receipts, Deductions, Income and Distributions of IC-DISC and Total Export Gross Receipts of IC-DISC and Related U.S. Persons, by Major Product or Service—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Major product or service	Net income	Deficit	Taxable income	Taxable income attributable to excess qualified export receipts	Adjusted IC-DISC income subject to deferral computation	Total amount deemed distributed	Current-year tax deferred income	Deferred IC-DISC income reported to shareholders	Total actual distributions	Current-year total export gross receipts of IC-DISC and related U.S. persons		
										Total amount	IC-DISC's	All other related U.S. persons, except IC-DISC's
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All products and services	260,250	3,488	258,130	33,992	217,343	48,888	209,556	267,322	92,858	4,118,994	3,622,605	496,389
Nonmanufactured products and services	41,668	286	41,542	5,189	36,066	-6,795	34,748	32,064	11,741	676,375	621,225	55,150
Grains and soybeans	3,739	12	3,739	387	3,303	456	3,283	3,909	6,435	157,358	157,358	—
Crops, except cotton, grains and soybeans	9,171	84	9,164	1,772	7,169	2,050	7,113	5,789	2,498	187,557	160,631	26,927
Livestock and livestock products	3,321	—	3,321	213	3,109	264	3,058	3,292	618	64,008	64,008	—
Chemical and fertilizer mineral products and services	281	—	281	—	281	17	264	133	—	31,680	5,755	25,925
Export management services	—	190	—	—	—	—	—	—	22	—	22	—
Computer software	11,411	—	11,411	218	11,177	891	10,520	10,855	42	44,292	41,993	2,299
Motion picture distribution	5,230	—	5,230	1,968	3,263	2,160	3,071	2,068	—	123,654	123,654	—
Engineering and architectural services	515	—	515	—	515	30	485	941	338	3,975	3,975	—
Manufactured products	218,582	3,211	216,587	28,803	181,277	42,094	174,808	235,258	81,116	3,442,619	3,001,381	441,239
Ordnance and accessories	460	—	460	—	394	88	372	687	244	7,196	7,196	—
Food and kindred products	8,602	271	8,468	1,123	7,000	1,795	6,679	16,468	5,163	407,495	306,400	101,095
Meat products	1,332	—	1,198	83	1,058	183	1,015	1,786	211	69,039	45,318	23,721
Canned and preserved fruits, vegetables and seafoods	1,780	—	1,780	730	1,050	778	1,009	2,966	36	25,718	25,718	—
Confectionery and related products	524	—	524	—	524	15	509	548	9	5,575	5,575	—
Beverages	2,563	—	2,563	—	2,305	394	2,169	7,584	546	72,606	32,476	40,130
Textile mill products	4,758	31	4,758	13	4,664	270	4,494	7,609	4,682	116,668	95,435	21,234
Yarn and thread mills	—	14	—	—	—	—	—	—	—	91	91	—
Apparel and other finished products made from fabrics and similar materials	1,871	60	1,871	74	1,798	138	1,733	1,392	78	40,657	38,892	1,765
Lumber and wood products, except furniture	8,092	—	7,890	750	7,079	928	6,962	5,737	1,016	126,634	100,770	25,865
Sawmills and planing mills	1,280	—	1,222	—	1,222	—	1,222	866	—	24,029	17,961	6,068
Millwork, veneer, plywood, and prefabricated structural wood products	2,146	—	2,146	—	2,118	50	2,096	360	34	17,722	17,651	71
Furniture and fixtures	918	289	918	—	918	18	900	1,457	225	17,086	17,086	—
Household furniture	257	—	257	—	257	13	244	504	51	5,927	5,927	—
Paper and allied products	3,477	—	3,477	—	3,416	117	3,359	3,207	1,314	136,993	101,672	35,321
Paper mills, except building paper mills	476	—	476	—	476	—	476	768	476	47,238	47,238	—
Converted paper and paperboard products, except boxes	2,218	—	2,218	—	2,157	117	2,101	2,338	734	68,722	33,401	35,321
Paperboard containers and boxes	98	—	98	—	98	—	98	101	—	4,185	4,185	—
Printing, publishing, and allied products	8,088	63	8,063	1,933	6,119	2,257	5,806	8,427	1,989	49,710	49,710	—
Periodicals: publishing, printing	3,775	—	3,775	970	2,794	1,102	2,673	3,461	1,085	23,671	23,671	—
Books	3,076	63	3,051	963	2,089	1,082	1,969	4,948	18	20,122	20,122	—
Chemicals and allied products	12,990	28	12,956	380	12,355	1,009	11,981	13,855	5,685	169,576	165,935	3,641
Industrial inorganic and organic chemicals	3,523	—	3,489	377	3,031	615	2,873	1,505	2,934	73,095	70,345	2,750
Plastic materials, synthetic and other man-made fibers	2,987	—	2,987	3	2,948	138	2,849	4,569	696	22,806	22,806	—
Drugs	565	18	565	—	565	11	554	1,002	100	10,768	9,877	891
Soaps, detergents, and toilet preparations	2,121	—	2,121	—	2,073	89	2,068	2,329	86	15,187	15,187	—
Paints and allied products	891	9	891	—	866	59	832	445	900	8,901	8,901	—
Petroleum refining and related products	1,180	—	1,180	—	1,180	14	1,166	1,916	193	14,044	14,044	—
Rubber and miscellaneous plastics products	4,319	1	3,693	109	3,366	430	3,262	3,833	95	51,655	51,655	—
Leather and leather products	1,131	—	1,131	—	1,131	20	1,126	837	146	36,330	36,330	—
Handbags and other personal leather goods	48	—	48	—	48	3	45	206	—	709	709	—
Stone, clay, glass, and concrete products	4,147	—	4,147	618	3,455	733	3,419	1,486	2,190	71,598	47,887	23,711
Glass products, made or purchased glass	2,249	—	2,249	618	1,631	622	1,627	266	1,699	58,587	34,876	23,711

Interest Charge—Domestic International Sales Corporations, 1987

All Returns of Active Interest Charge—Domestic International Sales Corporations—Continued

Table 1.—Assets, Receipts, Deductions, Income and Distributions of IC-DISC and Total Export Gross Receipts of IC-DISC and Related U.S. Persons, by Major Product or Service—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Major product or service	Number of returns	Total assets	Qualified assets	Export property	Total current and long-term liabilities	Total qualified export receipts and nonqualified receipts	Qualified export receipts from the sale of export property	Other qualified export receipts	Cost of sales and operations	Total export promotion and other expenses	Export promotion expenses	Net income (less deficit)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Manufactured products—Continued												
Primary metal products	55	25,897	25,897	106	3,560	70,621	70,437	179	60,186	1,643	933	8,792
Iron and steel foundries	3	875	875	—	703	4,440	4,440	—	3,947	46	21	447
Fabricated metal products, except ordnance, machinery, and transportation equipment	78	38,604	38,542	2,588	8,276	48,323	47,096	1,118	29,031	6,306	4,910	12,986
Cutlery, hand tools, and general hardware	5	1,492	1,492	—	388	4,004	4,004	—	2,412	935	834	657
Fabricated structural metal products	3	2,460	2,460	—	584	4,087	3,954	133	3,089	222	213	777
Metal stampings	7	2,155	2,154	8	98	2,141	2,136	—	1,491	30	8	620
Machinery, except electrical	169	104,173	100,133	4,558	27,325	166,430	162,133	3,573	114,311	22,883	17,028	29,236
Engines and turbines	5	4,063	4,063	9	2,815	15,352	15,320	32	14,322	393	206	637
Farm machinery and equipment	5	2,017	2,017	—	119	2,301	2,255	47	613	840	409	848
Construction, mining, and materials handling machinery	18	19,430	16,433	2,306	6,048	14,340	13,500	416	8,125	4,028	3,313	2,187
Metalworking machinery and equipment	11	4,941	4,938	—	1,335	8,076	7,819	256	6,253	785	632	1,038
Special industry machinery, except metalworking machinery	38	24,530	24,529	1,875	7,714	59,457	57,694	1,671	43,275	8,032	5,238	8,150
General industrial machinery and equipment	17	9,610	9,610	175	1,849	18,823	18,642	181	14,547	2,008	1,803	2,268
Office, computing, and accounting machines	8	4,801	3,789	—	476	3,217	3,009	150	1,142	275	194	1,800
Electrical machinery, equipment, and supplies	209	121,839	118,501	6,072	37,409	207,564	202,995	3,781	146,093	28,733	23,798	32,738
Electrical industrial apparatus	36	3,271	3,271	99	1,559	7,175	7,154	12	5,368	645	499	1,162
Household appliances	3	4,451	4,451	—	—	1,157	1,022	135	—	—	—	1,157
Radio and television receiving sets, except communication types	3	1,614	1,614	500	605	2,009	1,991	18	1,401	451	406	157
Communication equipment	21	5,718	5,715	517	429	4,686	4,281	332	2,280	615	512	1,792
Electronic components and accessories	60	54,940	51,649	4,022	16,793	94,560	93,165	1,224	67,632	14,142	11,878	12,786
Transportation equipment	73	75,552	75,234	8,534	24,537	145,162	142,925	1,753	101,162	20,776	15,719	23,224
Motor vehicles and motor vehicle equipment	47	37,211	37,204	2,124	7,947	54,082	52,813	937	36,445	5,456	3,954	12,180
Aircraft and parts	18	33,180	32,875	5,843	14,946	79,105	78,322	639	57,359	14,053	10,742	7,693
Railroad equipment	3	2,271	2,271	266	1,247	4,875	4,774	101	2,290	438	343	2,147
Professional, scientific, and controlling instruments; photographic and optical goods; watches and clocks	138	83,134	83,021	2,426	25,426	107,336	105,112	2,064	60,309	13,472	9,802	33,555
Engineering, laboratory, and scientific and research instruments	25	46,289	46,289	1,704	16,100	49,577	48,280	1,257	24,676	3,802	2,612	21,099
Instruments for measuring physical characteristics	66	13,107	12,997	50	3,633	13,466	13,310	153	6,958	2,701	2,346	3,806
Surgical, medical, and dental instruments and supplies	29	16,961	16,958	671	3,882	32,289	31,620	611	19,786	6,019	4,621	6,484
Ophthalmic goods	7	3,225	3,225	—	200	8,424	8,364	27	6,966	33	21	1,425
Photographic equipment and supplies	12	3,552	3,552	—	1,612	3,580	3,538	16	1,923	917	202	741
Miscellaneous manufactured products	110	81,741	80,188	3,122	37,112	153,331	150,503	1,341	111,558	26,691	21,707	15,083
Musical instruments	5	4,025	4,025	—	2,238	9,615	9,490	124	8,469	340	167	806
Toys, amusement, sporting and athletic goods	13	7,189	7,145	101	678	11,826	11,286	183	6,534	2,374	2,173	2,918
Pens, pencils, and other office and artists' materials	4	2,108	2,108	—	945	8,423	8,421	2	6,597	1,524	896	302
Costume jewelry, costume novelties, buttons, and miscellaneous notions, except precious metal	5	322	322	—	66	—	—	—	—	1	—	—

All Returns of Active Interest Charge—Domestic International Sales Corporations

Table 1.—Assets, Receipts, Deductions, Income and Distributions of IC-DISC and Total Export Gross Receipts of IC-DISC and Related U.S. Persons, by Major Product or Service—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Major product or service	Net income	Deficit	Taxable income	Taxable income attributable to excess qualified export receipts	Adjusted IC-DISC income subject to deferral computation	Total amount deemed distributed	Current-year tax deferred income	Deferred IC-DISC income reported to shareholders	Total actual distributions	Current-year total export gross receipts of IC-DISC and related U.S. persons		
										Total amount	IC-DISC's	All other related U.S. persons, except IC-DISC's
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Manufactured products—Continued												
Primary metal products	8,792	—	8,792	2,678	5,978	3,053	5,739	12,152	3,477	183,190	132,525	50,666
Iron and steel foundries	447	—	447	—	447	10	438	—	289	11,140	11,140	—
Fabricated metal products, except ordnance, machinery, and transportation equipment	12,986	—	12,968	1,334	11,129	2,317	10,683	14,231	4,328	191,984	186,792	5,191
Cutlery, hand tools, and general hardware	657	—	657	—	657	—	657	481	482	8,153	8,153	—
Fabricated structural metal products	777	—	774	—	641	154	620	779	—	10,411	7,832	2,579
Metal stampings	620	—	620	—	620	27	593	1,043	189	10,477	10,477	—
Machinery, except electrical	30,383	1,147	30,189	2,622	26,996	4,335	26,005	34,011	6,844	422,797	395,901	26,896
Engines and turbines	637	—	637	—	610	69	575	448	—	20,082	20,082	—
Farm machinery and equipment	848	—	848	—	808	59	789	284	—	7,033	7,033	—
Construction, mining, and materials handling machinery	3,187	999	3,187	1,045	2,141	1,204	2,019	3,778	1,312	50,620	44,217	6,403
Metalworking machinery and equipment	1,038	—	1,038	—	936	145	893	2,969	355	8,308	8,308	—
Special industry machinery, except metalworking machinery	8,150	—	7,957	302	7,641	677	7,305	6,586	708	105,748	100,256	5,492
General industrial machinery and equipment	2,284	16	2,284	—	2,284	114	2,170	3,520	77	34,493	33,781	712
Office, computing, and accounting machines	1,800	—	1,800	—	1,676	150	1,650	3,088	1,735	12,168	11,532	636
Electrical machinery, equipment, and supplies	33,126	388	33,015	1,330	30,291	4,003	29,029	39,267	10,362	550,412	421,515	128,897
Electrical industrial apparatus	1,162	—	1,162	—	1,159	17	1,145	947	605	18,553	18,553	—
Household appliances	1,157	—	1,157	—	1,157	49	1,108	538	13	14,081	14,081	—
Radio and television receiving sets, except communication types	161	4	161	—	143	27	135	725	—	5,829	5,829	—
Communication equipment	1,792	—	1,754	—	1,670	166	1,588	3,023	2,689	22,286	22,286	—
Electronic components and accessories	12,806	20	12,806	628	11,592	1,713	11,104	17,629	2,219	262,259	138,917	123,341
Transportation equipment	23,266	42	23,196	3,080	19,120	4,628	18,576	23,339	15,374	308,800	300,391	8,409
Motor vehicles and motor vehicle equipment	12,222	42	12,152	2,253	9,192	3,214	8,942	12,325	6,747	195,079	186,670	8,409
Aircraft and parts	7,693	—	7,693	827	6,642	1,212	6,486	9,721	5,337	85,047	85,047	—
Railroad equipment	2,147	—	2,147	—	2,100	157	1,991	—	2,147	11,574	11,574	—
Professional, scientific, and controlling instruments; photographic and optical goods; watches and clocks	34,011	456	33,697	11,650	20,618	13,855	19,858	24,342	15,496	263,160	261,519	1,640
Engineering, laboratory, and scientific and research instruments	21,099	—	20,830	11,117	8,477	12,672	8,172	8,561	12,970	134,010	134,010	—
Instruments for measuring physical characteristics	4,249	443	4,223	—	4,107	299	3,924	5,494	957	45,244	45,244	—
Surgical, medical, and dental instruments and supplies	6,497	13	6,486	532	5,920	731	5,755	7,525	1,252	62,748	62,748	—
Ophthalmic goods	1,425	—	1,425	—	1,398	103	1,325	1,798	301	12,273	10,632	1,640
Photographic equipment and supplies	741	—	732	—	716	51	682	964	16	8,885	8,885	—
Miscellaneous manufactured products	15,518	435	15,251	1,110	13,805	2,070	13,205	20,723	2,215	275,220	268,312	6,908
Musical instruments	806	—	806	—	806	47	758	967	—	15,694	15,694	—
Toys, amusement, sporting and athletic goods	2,918	—	2,918	—	2,784	275	2,643	3,779	174	38,703	38,703	—
Pens, pencils, and other office and artists' materials	302	—	294	—	294	17	276	414	17	9,361	9,361	—
Costume jewelry, costume novelties, buttons, and miscellaneous notions, except precious metal	—	1	—	—	—	—	—	—	—	—	—	—

Note: Detail may not add to total because only selected products and services are included.

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NOTICE

Data on the following pages are the latest and most accurate available at time of publication. However, they are subject to continuous revision as more information becomes available. Data labeled as preliminary should be used with caution.

Selected Historical and Other Data

Table 1.—Individual Income Tax Returns: Selected Income and Tax Items for Specified Tax Years, 1970-1990

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	1970	1975	1980	1985	1988	1989	1990
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All returns	74,279,831	82,229,332	93,902,469	101,660,287	109,708,280	112,135,673	113,798,774
Form 1040 returns	74,279,831	54,527,726	57,122,592	67,006,425	71,359,242	71,563,456	69,119,859
Form 1040A returns	N/A	27,701,606	36,779,877	18,124,702	19,066,165	20,478,063	26,124,769
Form 1040EZ returns	N/A	N/A	N/A	16,529,160	19,282,873	20,094,154	18,554,146
Adjusted gross income (AGI): ¹	631,692,540	947,784,873	1,613,731,497	2,305,951,483	3,083,019,783	3,256,358,156	3,431,905,535
Salaries and wages:							
Number of returns.....	66,965,659	73,520,046	83,802,109	87,198,001	93,257,370	95,487,922	97,047,591
Amount.....	531,883,892	795,399,462	1,349,842,802	1,928,200,978	2,337,984,129	2,449,530,553	2,615,306,814
Taxable interest received:							
Number of returns.....	32,630,355	40,378,240	49,019,575	64,526,434	69,421,338	69,881,648	70,563,818
Amount.....	22,021,267	43,433,554	102,009,444	182,109,194	186,981,638	220,015,823	222,993,801
Tax-exempt interest: ²							
Number of returns.....	n.a.	n.a.	n.a.	n.a.	3,514,401	3,730,291	3,941,992
Amount.....	n.a.	n.a.	n.a.	n.a.	32,811,274	37,589,693	40,638,717
Dividends in AGI: ³							
Number of returns.....	7,729,939	8,853,491	10,738,982	15,527,579	22,903,155	23,079,592	22,921,454
Amount.....	15,806,924	21,892,126	38,761,253	55,046,351	77,329,507	81,309,036	80,119,349
Business or profession net income:							
Number of returns.....	4,827,064	5,434,857	6,305,794	8,640,701	10,491,980	11,017,545	11,220,734
Amount.....	33,542,837	44,861,623	66,995,010	98,775,563	145,517,755	152,416,377	156,865,088
Business or profession net loss: ⁴							
Number of returns.....	1,332,921	1,807,685	2,575,325	3,259,640	3,079,460	3,143,151	3,408,324
Amount.....	2,988,636	5,440,145	11,865,856	20,002,986	19,194,505	19,678,697	18,288,820
Net capital gain in AGI: ⁵							
Number of returns.....	5,488,224	5,798,724	8,015,377	9,991,808	9,678,528	10,722,512	9,152,348
Amount.....	10,655,553	16,034,430	33,092,772	72,183,321	161,874,539	153,513,725	119,344,320
Net capital loss in AGI:							
Number of returns.....	2,474,439	2,513,399	1,955,544	2,667,409	4,630,707	4,337,150	5,010,826
Amount.....	1,648,870	1,727,272	3,063,698	3,905,541	8,106,330	7,882,795	9,404,998
Pensions and annuities in AGI: ⁶							
Number of returns.....	3,249,558	5,088,937	7,373,704	13,133,295	16,481,248	16,816,830	17,154,637
Amount.....	7,878,808	20,886,871	43,339,736	95,096,003	138,785,886	147,358,442	160,978,202
Unemployment compensation in AGI: ⁷							
Number of returns.....	N/A	N/A	1,798,210	4,771,546	6,974,262	7,175,322	8,079,878
Amount.....	N/A	N/A	2,028,456	6,355,539	11,626,600	12,095,062	15,569,487
Social security benefits in AGI:							
Number of returns.....	N/A	N/A	N/A	2,956,073	4,024,093	4,675,100	5,132,891
Amount.....	N/A	N/A	N/A	9,594,182	14,361,470	17,347,058	19,948,743
Rent net income: ⁸							
Number of returns.....	3,595,041	3,737,284	3,653,996	3,541,964	3,722,828	3,766,547	3,903,073
Amount.....	4,664,370	8,053,918	13,664,671	16,340,908	21,139,937	23,912,182	25,200,601
Rent net loss: ⁸							
Number of returns.....	2,456,606	2,834,547	3,809,821	5,390,750	5,157,554	5,245,122	5,020
Amount.....	2,457,918	4,621,220	13,464,274	36,163,023	33,004,254	33,301,182	31,038,660
Royalty net income: ⁹							
Number of returns.....	473,160	547,192	707,018	960,701	1,066,348	1,104,224	1,141,577
Amount.....	877,106	1,867,085	4,213,345	7,243,748	3,804,387	4,047,260	4,244,894
Royalty net loss: ⁹							
Number of returns.....	32,691	24,809	37,297	77,189	83,318	61,368	49,022
Amount.....	70,741	97,700	308,361	385,360	91,684	99,096	122,010
Partnership and S Corporation net income:							
Number of returns.....	2,200,000 ¹⁰	2,500,000 ¹⁰	3,200,000 ¹⁰	2,477,459	2,902,129	3,098,635	3,041,973
Amount.....	12,637,912 ¹⁰	12,811,091 ¹⁰	10,099,346 ¹⁰	48,477,552	100,918,463	107,373,738	106,628,194
Partnership and S Corporation net loss:							
Number of returns.....	(10)	(10)	(10)	3,010,212	2,997,094	2,829,653	2,621,763
Amount.....	(10)	(10)	(10)	51,004,143	43,838,237 ¹¹	44,281,682 ¹¹	32,306,368 ¹¹
Estate or trust net income:							
Number of returns.....	573,700	678,691	865,381	1,075,119	529,013	470,841	430,924
Amount.....	1,533,321	2,740,733	4,974,127	10,328,599	4,559,070	4,502,464	4,193,922
Estate or trust net loss:							
Number of returns.....	41,473	56,990	40,916	73,534	67,540	81,656	70,707
Amount.....	84,521	186,410	414,096	652,621	464,811	543,568	416,277
Farm net income:							
Number of returns.....	1,792,438	1,340,485	1,123,085	891,562	992,432	1,029,336	1,001,712
Amount.....	5,688,226	10,112,147	9,938,950	6,493,117	11,241,087	11,498,065	11,624,389
Farm net loss:							
Number of returns.....	1,234,092	1,414,556	1,485,345	1,729,299	1,375,095	1,330,382	1,327,124
Amount.....	2,899,513	8,548,822	11,731,416	18,498,600	12,417,624 ¹¹	11,712,004 ¹¹	12,438,362 ¹¹
Total statutory adjustments:							
Number of returns: ¹²	6,370,552	9,024,255	13,148,919	37,763,418	10,747,370	9,926,729	16,610,552
Amount: ¹²	7,665,251	15,101,999	28,614,061	95,082,299	28,201,888	24,572,969	33,262,703
Individual Retirement Arrangements: ¹³							
Number of returns.....	N/A	1,211,794	2,564,421	16,205,846	6,361,421	5,824,914	5,254,995
Amount.....	N/A	1,436,443	3,430,894	38,211,574	11,881,754	10,828,694	9,929,052
Self-employed retirement plans:							
Number of returns.....	591,655	595,892	568,936	675,822	814,586	822,353	819,454
Amount.....	847,692	1,603,788	2,007,666	5,181,993	6,626,908	6,326,156	6,636,538
Married couples who both work:							
Number of returns.....	N/A	N/A	N/A	24,835,278	N/A	N/A	N/A
Amount.....	N/A	N/A	N/A	24,614,983	N/A	N/A	N/A

Selected Historical and Other Data

Table 1.--Individual Income Tax Returns: Selected Income and Tax Items for Specified Tax Years, 1970-1990--Continued
 [All figures are estimates based on samples--money amounts are in thousands of dollars]

Item	1970	1975	1980	1985	1988	1989	1990
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Exemptions:							
Number of exemptions, total ¹⁴	204,126,402	212,202,596	227,925,098	244,180,202	221,884,006	223,756,252	227,788,630
Number, age 65 or over	8,904,331	9,937,208	11,847,168	16,748,810	N/A	N/A	N/A
Amount ¹⁴	127,531,202	159,140,845	227,569,280	253,720,447	430,771,177	447,129,806	466,542,389
Total deductions:							
Number of returns ¹⁵	73,862,448	81,585,541	88,491,251	96,848,626	108,819,935	111,311,212	112,982,850
Amount ¹⁵	120,549,755	233,181,778	346,000,155	554,733,523	685,954,065	740,409,033	785,183,281
Standard deductions:¹⁶							
Number of returns, total	38,432,401	55,511,480	59,540,969	57,000,442	76,471,827	79,338,895	80,825,689
Amount.....	32,371,271	100,921,181	127,972,016	149,709,998	289,564,223	309,431,034	332,803,460
Returns with additional standard deductions for age 65 or blindness:							
Number of returns.....	N/A	N/A	N/A	N/A	10,292,748	10,551,521	11,045,694
Amount.....	N/A	N/A	N/A	N/A	9,222,833	9,452,043	10,706,780
Itemized deductions:							
Number of returns ¹⁷	35,430,047	26,074,061	28,950,282	39,848,184	31,902,985	31,972,317	32,157,161
Amount ¹⁷	88,178,487	122,260,601	218,028,139	405,023,525	395,216,456	430,977,999	452,379,821
Medical and dental expense:¹⁸							
Number of returns.....	27,437,549	19,483,273	19,458,318	10,777,296	4,810,032	5,128,338	5,038,520
Amount.....	10,585,749	11,422,312	14,972,082	22,926,214	17,993,829	20,920,881	21,163,640
Taxes paid:¹⁹							
Number of returns.....	35,160,636	25,929,082	28,749,278	39,548,023	31,327,781	31,392,533	31,596,983
Amount.....	32,014,673	44,141,289	69,404,275	128,084,618	120,628,182	131,299,652	139,955,245
Interest paid:²⁰							
Number of returns.....	29,205,679	23,385,461	26,676,836	36,286,822	29,631,009	29,437,522	29,356,029
Amount.....	23,929,477	38,885,282	91,187,006	180,094,578	179,737,720	193,186,034	203,498,872
Contributions:							
Number of returns.....	33,633,601	24,642,672	26,601,428	36,162,178	29,110,570	29,132,486	29,289,803
Amount.....	12,892,732	15,393,331	25,809,608	47,962,848	50,949,273	55,459,205	57,244,799
Taxable income:²¹							
Number of returns	59,593,598	65,852,602	88,104,696	96,124,046	90,281,729	92,313,789	93,335,506
Amount	401,154,285	595,492,866	1,279,985,360	1,820,740,833	2,069,966,980	2,173,345,881	2,280,920,401
Income tax before credits:^{22, 23}							
Number of returns	59,596,755	65,854,734	76,135,819	85,994,216	90,218,979	92,246,065	93,273,365
Amount	84,156,695	132,452,044	256,294,315	332,165,333	418,889,165	438,240,138	457,392,600
Total tax credits:							
Number of returns ²⁴	n.a.	n.a.	19,674,483	20,995,285	14,099,023	12,034,697	12,527,029
Amount ²⁴	396,610	8,069,846	7,215,839	10,248,044	7,047,140	6,131,134	6,584,438
Child care credit:							
Number of returns.....	n.a.	n.a.	4,230,757	8,417,522	9,023,458	6,028,094	6,163,567
Amount.....	n.a.	n.a.	956,439	3,127,702	3,812,849	2,439,471	2,553,924
Credit for the elderly and disabled:							
Number of returns.....	1,357,266	784,808	561,918	462,548	356,973	319,758	342,325
Amount.....	167,656	128,968	134,993	108,642	68,904	64,490	62,627
Residential energy credit:							
Number of returns.....	N/A	N/A	n.a.	n.a.	N/A	N/A	N/A
Amount.....	N/A	N/A	562,141	811,675	N/A	N/A	N/A
Foreign tax credit:							
Number of returns.....	200,397	n.a.	393,074	453,863	559,217	641,557	770,091
Amount.....	169,623	381,985	1,341,675	782,561	1,087,203	1,311,742	1,514,305
Investment credit:²⁵							
Number of returns.....	n.a.	n.a.	n.a.	(25)	(25)	(25)	(25)
Amount.....	30,554	1,593,150	3,288,415	(25)	(25)	(25)	(25)
General business credit:²⁵							
Number of returns.....	N/A	N/A	N/A	4,614,307	364,169	332,419	255,418
Amount.....	N/A	N/A	N/A	4,791,132	718,209	593,192	562,787
Income tax after credits:							
Number of returns.....	59,314,011	61,483,928	73,840,395	82,762,130	87,120,969	89,162,747	89,998,191
Amount.....	83,787,323	124,382,197	249,078,475	321,917,289	411,842,025	432,109,004	450,808,162
Total income tax:²⁶							
Number of returns	59,317,371	61,490,737	73,906,244	82,846,420	87,135,332	89,178,355	90,012,176
Amount	83,909,311	124,526,297	250,341,440	325,710,254	412,869,909	432,939,998	451,424,760
Overpayments, total:²⁷							
Number of returns.....	55,273,385	63,825,188	69,868,451	77,424,003	79,143,548	80,908,202	83,746,672
Amount.....	15,727,692	29,363,945	49,458,344	76,220,146	78,837,972	81,252,232	86,603,179
Overpayment refunds:							
Number of returns.....	53,126,294	62,660,424	68,232,903	74,914,665	76,414,800	78,271,544	80,886,647
Amount.....	14,043,494	27,252,870	46,680,072	68,933,993	68,990,260	71,735,083	77,856,687
Tax due at time of filing:²⁸							
Number of returns.....	16,478,813	15,842,400	21,755,516	21,210,194	27,185,438	28,044,448	26,909,318
Amount.....	8,725,671	14,208,747	32,843,576	39,091,228	61,507,880	60,156,928	60,165,306

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
UNITED STATES²								
Number of returns.....	114,788,071	47,164,910	29,031,054	21,318,600	10,798,871	3,318,953	2,314,843	840,840
Number with paid preparer's signature.....	54,498,968	18,581,768	13,731,729	11,614,764	6,181,250	1,993,114	1,654,274	742,069
Number of exemptions.....	248,768,074	71,394,046	65,755,975	58,252,266	33,060,287	10,323,232	7,292,090	2,690,178
Adjusted gross income (less deficit).....	3,398,138,737	273,881,513	630,562,337	829,121,728	649,007,632	282,754,644	304,191,423	428,619,460
Salaries and wages:								
Number of returns.....	96,578,514	36,577,024	25,018,261	19,384,275	9,932,142	3,001,186	1,982,524	683,102
Amount.....	2,593,337,270	251,940,428	504,125,217	690,255,811	536,753,160	220,678,605	201,477,582	188,106,466
Interest income:								
Number of returns.....	70,658,526	20,104,937	17,405,950	16,970,083	9,897,267	3,187,268	2,259,996	833,025
Amount.....	228,422,837	36,497,157	41,061,813	40,618,580	31,297,765	15,619,763	21,484,213	41,843,546
Dividends:								
Number of returns.....	22,867,142	4,780,673	4,507,709	5,418,332	4,226,973	1,754,339	1,511,015	668,101
Amount.....	80,422,372	7,101,794	9,054,726	11,344,086	10,710,948	6,580,360	10,840,363	24,790,076
Net capital gain (less loss):								
Number of returns.....	12,216,411	2,293,441	2,272,957	2,666,630	2,180,808	1,062,158	1,135,442	604,975
Amount.....	111,751,611	6,838,869	3,292,789	5,910,694	7,781,243	6,512,860	15,087,130	66,328,026
Taxable pensions and annuities:								
Number of returns.....	16,970,993	5,105,261	4,879,637	3,653,573	2,074,479	662,780	450,260	145,003
Amount.....	158,385,225	26,099,841	42,865,358	38,802,763	26,091,824	10,235,878	8,751,087	5,538,474
Unemployment compensation:								
Number of returns.....	8,031,121	2,735,550	2,544,729	1,906,094	670,492	119,857	48,021	6,378
Amount.....	15,293,765	4,633,984	5,176,211	3,707,878	1,363,776	268,961	121,849	21,104
Number of sole proprietorship returns.....	14,631,433	4,365,420	3,414,813	3,317,207	1,920,007	715,167	645,521	253,298
Number of farm returns (Schedule F).....	1,992,915	609,493	522,594	472,902	229,924	69,190	57,977	30,835
Total itemized deductions:								
Number of returns.....	33,418,580	2,308,281	5,798,520	10,726,687	8,532,193	3,025,871	2,204,840	822,188
Amount.....	474,043,752	26,219,593	51,234,301	107,626,910	111,711,953	54,358,282	58,974,218	63,918,495
Average (whole dollars).....	14,186	11,359	8,836	10,034	13,093	17,965	26,748	77,742
Taxable income:								
Number of returns.....	93,350,753	26,459,915	28,406,718	21,240,588	10,780,813	3,313,642	2,310,123	838,954
Amount.....	2,261,460,396	89,111,183	357,191,808	556,292,135	460,709,196	206,840,178	230,621,484	360,494,413
Total tax liability:								
Number of returns.....	94,988,578	28,034,229	28,449,489	21,252,555	10,785,127	3,315,238	2,311,990	839,950
Amount.....	471,051,057	16,384,050	57,871,599	96,062,067	90,203,979	46,751,014	60,631,355	103,146,993
Average (whole dollars).....	4,960	585	2,035	4,521	8,364	14,102	26,225	122,802
Earned income credit:								
Number of returns.....	12,856,425	9,280,630	3,575,795	--	--	--	--	--
Amount.....	7,627,513	6,672,322	955,191	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	8,789,468	8,117,979	671,489	--	--	--	--	--
Amount.....	5,347,107	5,186,688	160,419	--	--	--	--	--
Overpayment:								
Number of returns.....	80,480,341	34,699,963	21,698,574	15,009,166	6,337,229	1,628,884	890,695	215,830
Amount.....	78,629,231	19,983,033	17,615,173	18,856,034	11,260,914	4,075,810	3,841,377	2,996,890
Tax due at time of filing:								
Number of returns.....	26,768,390	7,722,465	6,333,418	5,584,768	4,011,266	1,483,444	1,172,843	460,186
Amount.....	55,912,854	3,187,272	5,327,829	7,487,148	8,121,315	5,095,055	8,803,490	17,890,746

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ALABAMA								
Number of returns.....	1,711,765	797,757	425,224	290,950	134,611	34,488	20,858	7,877
Number with paid preparer's signature.....	861,779	331,024	226,305	177,093	82,463	21,567	16,032	7,295
Number of exemptions.....	3,880,293	1,341,253	1,065,202	848,996	423,103	109,025	66,616	26,098
Adjusted gross income (less deficit).....	43,145,901	5,247,737	9,172,223	11,275,353	8,045,444	2,925,512	2,732,130	3,747,501
Salaries and wages:								
Number of returns.....	1,489,365	659,644	378,158	270,316	125,686	31,422	17,602	6,537
Amount.....	34,088,681	4,547,468	7,594,964	9,661,340	6,762,249	2,250,619	1,664,185	1,607,856
Interest income:								
Number of returns.....	843,486	240,855	211,181	211,402	119,449	32,595	20,206	7,798
Amount.....	2,327,541	421,572	452,829	426,359	325,090	156,725	204,967	339,999
Dividends:								
Number of returns.....	241,217	45,897	46,506	60,030	50,008	18,411	13,997	6,368
Amount.....	689,370	59,445	72,159	97,987	101,581	62,865	101,487	193,847
Net capital gain (less loss):								
Number of returns.....	125,383	22,458	23,171	28,372	24,207	10,901	10,579	5,695
Amount.....	919,346	87,800	39,310	63,392	82,160	61,515	140,030	445,139
Taxable pensions and annuities:								
Number of returns.....	242,612	75,448	70,109	52,707	29,674	8,512	4,824	1,338
Amount.....	2,309,911	413,301	648,129	579,978	389,048	144,417	100,278	34,759
Unemployment compensation:								
Number of returns.....	163,072	68,567	51,208	33,859	8,278	920	215	25
Amount.....	172,246	74,743	53,433	33,804	8,774	1,110	344	38
Number of sole proprietorship returns.....	198,743	69,042	50,578	42,577	21,578	6,824	5,815	2,329
Number of farm returns (Schedule F).....	41,942	11,552	10,491	10,779	5,961	1,492	1,061	606
Total itemized deductions:								
Number of returns.....	413,820	28,892	84,298	139,259	103,237	30,688	19,660	7,786
Amount.....	4,656,177	243,469	665,139	1,256,468	1,162,667	460,990	427,999	439,446
Average (whole dollars).....	11,252	8,427	7,891	9,023	11,263	15,022	21,771	56,441
Taxable income:								
Number of returns.....	1,310,501	404,004	418,344	290,491	134,506	34,462	20,829	7,865
Amount.....	27,288,896	1,302,923	4,882,498	7,567,356	5,874,945	2,230,049	2,170,928	3,260,196
Total tax liability :								
Number of returns.....	1,335,549	429,335	417,944	290,550	134,535	34,475	20,838	7,872
Amount.....	5,432,772	236,384	781,418	1,253,762	1,136,323	505,452	578,783	940,650
Average (whole dollars).....	4,068	551	1,870	4,316	8,447	14,662	27,776	119,494
Earned income credit:								
Number of returns.....	319,441	244,800	74,641	--	--	--	--	--
Amount.....	199,942	179,307	20,636	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	235,104	221,635	13,469	--	--	--	--	--
Amount.....	147,867	144,670	3,197	--	--	--	--	--
Overpayment:								
Number of returns.....	1,288,822	640,893	334,063	214,790	76,449	14,653	6,166	1,808
Amount.....	1,161,229	433,414	283,747	249,963	115,542	31,141	25,234	22,187
Tax due at time of filing:								
Number of returns.....	336,797	99,048	80,461	68,622	53,638	17,871	12,446	4,711
Amount.....	610,822	44,683	66,682	85,168	98,150	60,227	97,336	158,575

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ALASKA								
Number of returns.....	313,610	146,094	57,272	50,484	35,047	14,927	8,181	1,605
Number with paid preparer's signature.....	127,875	45,132	22,281	24,452	19,872	9,164	5,552	1,422
Number of exemptions.....	539,741	104,448	121,262	129,607	106,118	47,012	26,191	5,103
Adjusted gross income (less deficit).....	9,008,782	421,628	1,257,035	1,978,198	2,136,701	1,274,164	1,038,516	902,539
Salaries and wages:								
Number of returns.....	223,597	70,800	51,040	46,174	32,895	14,081	7,322	1,285
Amount.....	6,872,072	445,361	997,801	1,613,985	1,781,402	1,051,234	721,196	261,092
Interest income:								
Number of returns.....	170,341	52,921	29,810	35,323	29,228	13,664	7,816	1,579
Amount.....	309,702	33,454	34,588	52,196	55,649	36,492	43,419	53,903
Dividends:								
Number of returns.....	66,798	19,083	10,895	12,778	11,316	6,622	4,866	1,238
Amount.....	130,027	16,117	13,985	18,410	19,066	13,686	17,436	31,327
Net capital gain (less loss):								
Number of returns.....	28,556	4,136	3,612	5,723	6,331	4,011	3,598	1,145
Amount.....	350,369	5,937	4,684	9,776	17,334	17,497	43,829	251,311
Taxable pensions and annuities:								
Number of returns.....	29,742	4,139	6,419	7,477	6,405	3,178	1,842	282
Amount.....	402,802	23,390	64,101	104,901	102,731	55,957	41,078	10,645
Unemployment compensation:								
Number of returns.....	31,683	8,456	9,062	7,959	4,686	1,244	263	13
Amount.....	71,337	16,055	20,828	19,821	11,257	2,760	581	34
Number of sole proprietorship returns.....	51,079	12,654	10,474	11,447	9,095	4,056	2,671	682
Number of farm returns (Schedule F).....	1,085	159	155	214	253	162	101	41
Total itemized deductions:								
Number of returns.....	73,427	3,786	8,324	18,793	22,021	11,889	7,168	1,446
Amount.....	914,093	39,118	68,257	180,683	259,438	171,500	137,592	57,505
Average (whole dollars).....	12,450	10,333	8,201	9,615	11,782	14,426	19,196	39,769
Taxable income:								
Number of returns.....	282,541	116,166	56,249	50,393	35,024	14,925	8,179	1,605
Amount.....	6,649,210	239,723	748,949	1,393,237	1,598,152	991,897	843,085	834,167
Total tax liability:								
Number of returns.....	287,757	120,958	56,630	50,423	35,035	14,926	8,180	1,605
Amount.....	1,448,055	44,110	127,398	256,879	328,795	227,997	224,004	238,871
Average (whole dollars).....	5,033	365	2,250	5,095	9,385	15,276	27,385	148,830
Earned income credit:								
Number of returns.....	16,908	10,787	6,121	--	--	--	--	--
Amount.....	8,586	7,028	1,558	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	9,569	8,704	865	--	--	--	--	--
Amount.....	4,888	4,687	200	--	--	--	--	--
Overpayment:								
Number of returns.....	158,738	60,265	38,747	31,488	18,488	6,767	2,631	352
Amount.....	167,742	29,595	31,925	41,992	35,268	14,905	8,546	5,511
Tax due at time of filing:								
Number of returns.....	137,340	73,852	16,886	17,538	15,547	7,630	4,963	924
Amount.....	209,447	14,315	19,795	31,203	38,951	27,060	38,867	39,257

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued
 [Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ARIZONA								
Number of returns.....	1,602,781	691,808	412,815	283,929	138,609	39,814	26,542	9,264
Number with paid preparer's signature.....	834,635	298,364	222,157	172,077	86,784	26,170	20,613	8,470
Number of exemptions.....	3,697,698	1,196,703	1,008,596	816,565	435,330	125,356	84,700	30,448
Adjusted gross income (less deficit).....	43,208,903	3,870,636	8,916,174	11,013,437	8,317,629	3,386,739	3,485,808	4,218,479
Salaries and wages:								
Number of returns.....	1,324,277	546,080	343,333	248,664	122,923	34,565	21,511	7,201
Amount.....	32,595,515	3,849,627	6,858,632	8,774,968	6,586,954	2,509,169	2,147,579	1,868,587
Interest income:								
Number of returns.....	922,762	263,781	243,080	219,104	124,164	37,757	25,724	9,152
Amount.....	3,241,184	541,427	644,514	613,394	457,388	226,354	313,121	444,987
Dividends:								
Number of returns.....	310,953	69,639	70,580	74,275	53,005	20,385	16,325	6,744
Amount.....	1,157,834	129,936	174,137	200,091	167,607	93,670	137,080	255,312
Net capital gain (less loss):								
Number of returns.....	208,304	43,844	45,549	46,893	34,811	15,386	14,852	6,969
Amount.....	1,468,802	170,775	41,872	88,447	128,310	101,480	242,051	695,865
Taxable pensions and annuities:								
Number of returns.....	272,191	78,817	82,483	60,688	32,665	9,728	6,050	1,760
Amount.....	2,848,807	426,120	789,648	752,860	492,328	173,829	137,040	76,981
Unemployment compensation:								
Number of returns.....	82,388	35,858	24,845	15,110	5,085	1,037	414	39
Amount.....	137,892	57,863	42,963	25,449	8,767	1,899	849	103
Number of sole proprietorship returns.....	215,010	68,915	52,905	48,667	25,907	8,751	7,232	2,633
Number of farm returns (Schedule F).....	7,840	2,083	1,586	1,729	1,133	429	499	381
Total itemized deductions:								
Number of returns.....	527,655	51,942	115,638	171,363	116,900	36,956	25,698	9,158
Amount.....	6,881,442	512,095	1,001,222	1,744,132	1,549,002	665,561	700,112	709,319
Average (whole dollars).....	13,042	9,859	8,659	10,178	13,251	18,010	27,244	77,454
Taxable income:								
Number of returns.....	1,255,461	359,248	399,736	282,789	138,314	39,706	26,457	9,211
Amount.....	27,484,544	1,237,761	4,748,188	7,139,549	5,810,325	2,466,319	2,624,721	3,457,682
Total tax liability:								
Number of returns.....	1,280,791	382,967	400,939	283,032	138,384	39,739	26,497	9,233
Amount.....	5,559,170	225,101	765,159	1,212,146	1,121,561	554,889	687,547	992,767
Average (whole dollars).....	4,341	588	1,909	4,283	8,105	13,964	25,949	107,524
Earned income credit:								
Number of returns.....	216,122	160,141	55,981	--	--	--	--	--
Amount.....	130,285	115,237	15,047	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	158,238	144,503	13,735	--	--	--	--	--
Amount.....	98,128	94,705	3,422	--	--	--	--	--
Overpayment:								
Number of returns.....	1,115,037	518,966	298,421	190,951	76,926	17,632	9,590	2,551
Amount.....	1,001,433	300,695	236,409	223,291	127,335	42,634	41,739	29,331
Tax due at time of filing:								
Number of returns.....	378,074	103,215	98,592	82,053	55,410	19,592	14,050	5,162
Amount.....	719,259	39,283	76,341	103,748	110,858	67,147	113,604	208,279

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ARKANSAS								
Number of returns.....	965,282	469,518	257,602	154,473	57,055	13,298	9,655	3,681
Number with paid preparer's signature.....	505,815	213,652	140,888	93,681	36,435	9,506	8,175	3,478
Number of exemptions.....	2,234,717	833,241	674,855	462,645	179,316	41,879	30,791	11,990
Adjusted gross income (less deficit).....	22,011,751	2,952,773	5,540,903	5,938,751	3,387,061	1,130,424	1,280,390	1,781,450
Salaries and wages:								
Number of returns.....	805,456	373,038	221,220	138,613	50,550	11,260	7,721	3,054
Amount.....	16,581,270	2,574,443	4,381,639	4,830,239	2,610,727	747,280	689,089	747,852
Interest income:								
Number of returns.....	489,668	160,824	137,168	114,908	51,083	12,639	9,401	3,645
Amount.....	1,546,128	308,581	353,395	301,240	203,955	87,362	113,873	177,723
Dividends:								
Number of returns.....	140,234	31,892	33,722	35,669	22,050	7,440	6,495	2,966
Amount.....	466,172	41,665	52,011	59,423	49,732	26,734	42,876	193,730
Net capital gain (less loss):								
Number of returns.....	94,863	22,351	23,392	22,097	13,596	5,321	5,424	2,682
Amount.....	549,421	38,435	43,468	59,566	61,876	41,784	83,800	220,492
Taxable pensions and annuities:								
Number of returns.....	134,118	45,745	42,941	28,129	12,007	2,859	1,853	584
Amount.....	1,186,738	234,494	380,062	310,672	162,229	47,199	34,511	17,571
Unemployment compensation:								
Number of returns.....	79,697	34,597	28,238	14,237	2,293	246	77	9
Amount.....	118,653	47,834	42,851	22,908	4,299	554	178	29
Number of sole proprietorship returns.....	137,307	55,205	38,235	25,555	10,600	3,330	3,122	1,260
Number of farm returns (Schedule F).....	42,457	15,450	12,227	9,146	3,527	910	843	354
Total itemized deductions:								
Number of returns.....	194,221	17,135	41,269	67,124	43,844	12,020	9,188	3,641
Amount.....	2,291,353	138,034	399,139	601,730	494,930	185,041	210,421	262,058
Average (whole dollars).....	11,798	8,056	9,672	8,965	11,289	15,395	22,902	71,975
Taxable income:								
Number of returns.....	724,578	233,373	253,351	154,238	57,013	13,283	9,642	3,678
Amount.....	13,463,217	754,759	2,897,237	3,974,160	2,471,068	858,200	1,009,847	1,497,946
Total tax liability:								
Number of returns.....	750,835	259,432	253,528	154,250	57,017	13,284	9,646	3,678
Amount.....	2,679,929	148,585	476,758	664,907	487,332	200,316	272,124	429,907
Average (whole dollars).....	3,570	573	1,881	4,311	8,548	15,080	28,212	116,887
Earned income credit:								
Number of returns.....	175,524	131,183	44,341	--	--	--	--	--
Amount.....	107,267	95,146	12,121	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	122,773	114,978	7,795	--	--	--	--	--
Amount.....	75,788	73,954	1,834	--	--	--	--	--
Overpayment:								
Number of returns.....	693,093	357,906	190,384	106,675	29,350	5,036	2,786	956
Amount.....	583,449	228,836	154,384	117,184	46,200	12,450	12,894	11,501
Tax due at time of filing:								
Number of returns.....	211,379	70,397	58,725	42,481	24,883	7,100	5,631	2,162
Amount.....	382,770	29,110	54,288	64,639	62,130	35,483	58,742	78,377

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued
 [Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CALIFORNIA								
Number of returns.....	13,734,942	5,428,291	3,338,905	2,496,794	1,426,014	525,610	384,310	135,018
Number with paid preparer's signature.....	7,334,282	2,422,456	1,716,173	1,490,016	935,616	357,685	290,840	121,496
Number of exemptions.....	30,892,464	9,421,893	7,661,808	6,436,658	4,203,914	1,586,075	1,164,769	417,347
Adjusted gross income (less deficit).....	452,648,452	29,110,134	72,747,801	97,248,843	86,328,234	44,881,908	50,425,211	71,906,322
Salaries and wages:								
Number of returns.....	11,503,665	4,248,884	2,848,734	2,220,286	1,288,672	470,540	322,147	104,402
Amount.....	339,033,306	30,867,536	58,444,294	79,741,704	70,493,175	35,239,002	33,166,695	31,080,901
Interest income:								
Number of returns.....	8,189,333	2,030,004	1,912,345	1,944,452	1,291,745	502,880	374,237	133,670
Amount.....	30,876,758	3,973,550	4,510,060	5,022,591	4,328,709	2,437,634	3,608,863	6,995,351
Dividends:								
Number of returns.....	2,541,631	456,417	456,556	573,138	490,708	243,130	224,328	97,354
Amount.....	9,806,526	815,441	1,069,018	1,358,420	1,281,232	820,319	1,358,031	3,104,064
Net capital gain (less loss):								
Number of returns.....	1,514,960	239,302	244,923	312,543	284,518	159,204	180,809	93,661
Amount.....	21,515,451	1,286,628	384,524	855,719	1,313,644	1,242,986	3,171,273	13,260,677
Taxable pensions and annuities:								
Number of returns.....	1,785,230	437,453	487,453	405,041	265,382	98,399	69,893	21,609
Amount.....	19,162,271	2,406,890	4,633,605	4,796,212	3,581,698	1,514,062	1,341,072	888,734
Unemployment compensation:								
Number of returns.....	1,026,446	431,194	287,276	187,104	86,469	22,097	10,870	1,436
Amount.....	1,746,675	682,304	530,518	321,224	147,991	39,822	21,416	3,400
Number of sole proprietorship returns.....	2,075,092	612,140	425,807	440,703	306,324	129,680	116,996	43,442
Number of farm returns (Schedule F).....	77,812	16,934	13,768	16,522	13,005	6,000	6,761	4,822
Total itemized deductions:								
Number of returns.....	4,670,161	364,444	765,931	1,355,820	1,176,094	496,976	376,942	133,954
Amount.....	88,675,102	5,479,381	8,667,337	17,285,454	19,695,221	11,179,088	12,721,169	13,647,452
Average (whole dollars).....	18,988	15,035	11,317	12,750	16,747	22,495	33,749	101,882
Taxable income:								
Number of returns.....	10,832,525	2,718,450	3,183,759	2,469,357	1,419,733	523,770	382,889	134,567
Amount.....	292,785,110	9,596,696	39,802,377	62,430,461	57,303,063	30,491,776	35,501,889	57,658,849
Total tax liability :								
Number of returns.....	11,078,906	2,933,917	3,201,146	2,478,716	1,422,237	524,528	383,539	134,823
Amount.....	63,366,834	1,844,856	6,517,566	11,159,909	11,300,898	6,828,197	9,263,862	16,451,546
Average (whole dollars).....	5,720	629	2,037	4,503	7,946	13,018	24,154	122,024
Earned income credit:								
Number of returns.....	1,755,297	1,347,347	407,950	--	--	--	--	--
Amount.....	1,090,602	980,986	109,616	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	1,330,510	1,207,378	123,132	--	--	--	--	--
Amount.....	845,754	814,657	31,097	--	--	--	--	--
Overpayment:								
Number of returns.....	9,428,985	3,975,677	2,416,344	1,678,366	867,412	287,047	167,044	37,095
Amount.....	10,810,530	2,451,188	2,014,287	2,346,634	1,831,847	825,666	784,004	556,904
Tax due at time of filing:								
Number of returns.....	3,371,080	868,240	809,393	730,306	499,957	209,646	180,180	73,358
Amount.....	8,774,806	485,253	715,243	1,038,611	1,137,670	771,222	1,462,219	3,164,589

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
COLORADO								
Number of returns.....	1,564,022	631,326	393,013	297,667	154,568	46,371	31,342	9,735
Number with paid preparer's signature.....	746,361	243,848	187,910	166,461	88,755	28,076	22,721	8,590
Number of exemptions.....	3,311,856	881,667	871,070	811,202	472,913	144,431	99,572	31,001
Adjusted gross income (less deficit).....	45,371,583	3,140,961	8,556,181	11,591,846	9,289,398	3,946,175	4,101,365	4,745,655
Salaries and wages:								
Number of returns.....	1,326,909	497,800	339,204	270,848	142,325	42,054	26,927	7,751
Amount.....	34,907,915	3,405,036	6,812,998	9,583,284	7,638,219	3,046,880	2,655,276	1,766,221
Interest income:								
Number of returns.....	1,011,693	288,620	249,518	245,430	143,178	44,635	30,650	9,662
Amount.....	2,765,412	453,135	479,854	493,260	391,283	193,041	271,119	483,721
Dividends:								
Number of returns.....	358,884	75,722	70,878	88,188	68,305	26,841	21,214	7,736
Amount.....	1,047,245	113,903	128,144	160,755	151,490	89,474	142,798	260,681
Net capital gain (less loss):								
Number of returns.....	221,077	43,985	42,039	50,206	40,839	18,680	17,861	7,467
Amount.....	1,729,459	121,611	46,249	81,412	114,482	97,616	223,326	1,044,763
Taxable pensions and annuities:								
Number of returns.....	225,693	58,993	64,955	53,620	30,851	9,684	6,016	1,574
Amount.....	2,366,917	327,806	634,576	641,247	435,263	159,710	122,221	46,095
Unemployment compensation:								
Number of returns.....	69,745	22,825	23,970	16,281	5,344	913	377	35
Amount.....	132,163	39,526	47,124	31,407	10,534	1,952	832	788
Number of sole proprietorship returns.....	262,785	77,261	63,985	62,387	34,234	11,553	10,036	3,329
Number of farm returns (Schedule F).....	28,173	9,383	6,963	6,040	3,146	1,125	994	522
Total itemized deductions:								
Number of returns.....	550,316	42,513	107,545	184,420	132,456	43,448	30,344	9,590
Amount.....	7,131,708	406,028	915,681	1,845,804	1,733,467	755,731	745,635	729,362
Average (whole dollars).....	12,960	9,551	8,515	10,009	13,088	17,394	24,573	76,055
Taxable income:								
Number of returns.....	1,293,077	369,741	384,664	296,936	154,408	46,325	31,297	9,706
Amount.....	30,226,480	1,240,890	4,791,460	7,595,813	6,510,899	2,893,051	3,157,842	4,036,524
Total tax liability:								
Number of returns.....	1,319,449	394,683	385,876	297,051	154,452	46,342	31,318	9,727
Amount.....	6,245,217	233,932	788,599	1,311,518	1,267,267	654,727	834,141	1,155,033
Average (whole dollars).....	4,734	593	2,044	4,416	8,205	14,129	26,635	118,746
Eamed income credit:								
Number of returns.....	147,929	103,195	44,734	--	--	--	--	--
Amount.....	85,418	73,593	11,825	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	96,515	87,986	8,529	--	--	--	--	--
Amount.....	57,221	55,225	1,996	--	--	--	--	--
Overpayment:								
Number of returns.....	1,028,309	450,528	272,469	192,629	81,011	19,180	10,347	2,145
Amount.....	863,068	225,328	195,820	207,620	122,550	42,472	40,725	28,552
Tax due at time of filing:								
Number of returns.....	436,205	119,144	106,625	95,065	67,398	24,448	17,737	5,788
Amount.....	887,956	47,203	89,933	123,225	134,464	85,192	142,337	265,603

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued
 [Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CONNECTICUT								
Number of returns.....	1,658,349	542,177	403,772	341,467	215,651	75,686	56,848	22,748
Number with paid preparer's signature.....	718,460	185,215	160,049	165,527	113,452	39,716	35,890	18,611
Number of exemptions.....	3,292,004	621,702	752,876	812,004	623,918	229,641	178,468	73,395
Adjusted gross income (less deficit).....	63,964,603	2,885,404	8,911,592	13,382,937	13,028,754	6,460,318	7,538,499	11,757,097
Salaries and wages:								
Number of returns.....	1,387,362	390,273	346,294	308,857	200,426	70,660	51,246	19,606
Amount.....	49,684,718	2,548,404	7,052,191	11,004,889	10,990,449	5,405,106	5,660,129	7,023,550
Interest income:								
Number of returns.....	1,257,743	319,697	280,409	298,250	206,352	74,265	56,152	22,618
Amount.....	4,364,685	615,471	729,816	860,353	678,856	289,167	382,751	808,271
Dividends:								
Number of returns.....	460,938	93,966	79,406	101,640	88,575	40,254	38,156	18,941
Amount.....	1,754,989	137,279	178,308	266,704	257,090	141,171	246,212	528,226
Net capital gain (less loss):								
Number of returns.....	207,898	33,254	30,414	42,305	39,253	20,945	25,847	15,880
Amount.....	1,703,065	82,803	21,793	58,706	94,202	89,306	239,819	1,116,436
Taxable pensions and annuities:								
Number of returns.....	266,752	70,868	70,468	59,674	39,117	13,069	9,660	3,896
Amount.....	2,389,331	325,552	538,804	562,352	420,510	173,004	178,061	191,047
Unemployment compensation:								
Number of returns.....	132,019	30,530	42,054	35,988	18,503	3,258	1,441	245
Amount.....	340,217	76,702	113,891	91,915	43,466	8,164	4,199	1,881
Number of sole proprietorship returns.....	197,759	41,342	37,856	47,596	35,748	14,687	14,432	6,098
Number of farm returns (Schedule F).....	2,791	608	497	617	483	198	225	163
Total itemized deductions:								
Number of returns.....	560,153	32,567	74,269	154,370	155,044	66,879	54,524	22,500
Amount.....	9,303,813	436,508	749,271	1,696,483	2,081,547	1,169,933	1,497,950	1,672,121
Average (whole dollars).....	16,610	13,404	10,089	10,990	13,426	17,494	27,474	74,317
Taxable income:								
Number of returns.....	1,461,960	357,720	394,839	339,362	215,077	75,539	56,704	22,719
Amount.....	45,880,980	1,206,774	5,538,861	9,299,347	9,414,861	4,792,022	5,684,540	9,944,577
Total tax liability :								
Number of returns.....	1,476,724	369,103	397,333	339,963	215,226	75,597	56,768	22,734
Amount.....	10,080,457	214,960	900,242	1,678,225	1,875,501	1,084,328	1,491,795	2,835,406
Average (whole dollars).....	6,827	583	2,266	4,937	8,715	14,344	26,279	124,721
Earned income credit:								
Number of returns.....	77,810	48,395	29,415	--	--	--	--	--
Amount.....	40,889	33,382	7,507	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	43,590	39,520	4,070	--	--	--	--	--
Amount.....	24,080	23,162	918	--	--	--	--	--
Overpayment:								
Number of returns.....	1,127,533	365,838	309,143	242,503	135,606	42,132	25,492	6,819
Amount.....	1,406,905	197,530	274,404	359,504	274,255	110,518	112,406	78,288
Tax due at time of filing:								
Number of returns.....	416,511	114,998	78,753	84,493	70,593	29,465	26,086	12,123
Amount.....	923,573	40,486	63,319	103,633	123,981	81,329	156,918	353,905

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
DELAWARE								
Number of returns.....	328,496	121,479	82,801	64,930	37,296	12,042	7,761	2,187
Number with paid preparer's signature.....	132,940	37,110	32,631	32,041	18,850	5,851	4,626	1,831
Number of exemptions.....	686,087	162,333	172,442	168,834	113,524	37,682	24,382	6,890
Adjusted gross income (less deficit).....	10,416,903	814,206	1,791,316	2,538,216	2,249,174	1,025,165	1,009,491	989,335
Salaries and wages:								
Number of returns.....	282,037	96,746	71,720	59,263	34,603	11,119	6,853	1,733
Amount.....	8,066,393	667,844	1,434,294	2,109,355	1,888,406	831,527	697,750	437,216
Interest income:								
Number of returns.....	204,459	51,125	47,009	50,724	34,255	11,589	7,587	2,170
Amount.....	570,586	83,998	106,121	108,703	87,818	45,177	56,530	82,239
Dividends:								
Number of returns.....	85,027	14,600	15,245	20,828	18,412	7,977	6,070	1,895
Amount.....	382,698	20,496	29,097	41,192	43,972	29,915	50,718	167,307
Net capital gain (less loss):								
Number of returns.....	31,930	4,701	4,987	6,725	6,423	3,599	3,870	1,625
Amount.....	242,106	8,241	6,322	14,446	21,404	18,848	45,756	127,089
Taxable pensions and annuities:								
Number of returns.....	55,148	14,199	15,330	12,529	8,071	2,743	1,827	449
Amount.....	563,132	75,371	141,375	141,342	105,219	43,126	38,283	18,415
Unemployment compensation:								
Number of returns.....	20,192	4,514	5,548	6,766	2,830	434	94	6
Amount.....	34,947	7,222	10,894	11,287	4,615	722	193	15
Number of sole proprietorship returns.....	31,862	7,161	7,184	8,111	5,275	1,925	1,668	538
Number of farm returns (Schedule F).....	2,747	730	711	651	398	109	90	58
Total itemized deductions:								
Number of returns.....	107,792	4,750	15,412	34,971	31,352	11,510	7,624	2,173
Amount.....	1,461,955	44,546	120,785	332,267	388,377	199,900	193,712	182,368
Average (whole dollars).....	13,563	9,379	7,838	9,502	12,388	17,368	25,409	83,925
Taxable income:								
Number of returns.....	282,121	76,358	81,739	64,798	37,272	12,029	7,746	2,179
Amount.....	6,992,746	269,358	1,065,301	1,733,172	1,605,007	756,014	768,758	795,136
Total tax liability:								
Number of returns.....	283,152	77,422	81,677	64,807	37,280	12,032	7,750	2,184
Amount.....	1,416,779	45,123	169,350	297,031	308,608	168,063	199,518	229,086
Average (whole dollars).....	5,004	583	2,074	4,584	8,279	13,969	25,745	104,893
Earned income credit:								
Number of returns.....	29,624	20,323	9,301	--	--	--	--	--
Amount.....	17,297	14,766	2,531	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	19,411	17,971	1,440	--	--	--	--	--
Amount.....	11,769	11,428	341	--	--	--	--	--
Overpayment:								
Number of returns.....	233,910	92,572	63,590	46,792	21,832	5,740	2,846	538
Amount.....	221,191	50,943	49,155	56,589	34,749	12,186	10,884	6,686
Tax due at time of filing:								
Number of returns.....	77,765	19,110	16,955	16,325	14,211	5,674	4,221	1,269
Amount.....	143,505	6,561	12,838	19,618	23,466	15,479	27,188	38,356

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
DISTRICT OF COLUMBIA								
Number of returns.....	318,036	116,372	103,372	53,408	23,145	9,147	8,872	3,720
Number with paid preparer's signature.....	116,522	36,772	34,956	21,451	10,783	4,459	5,124	2,977
Number of exemptions.....	588,035	178,028	200,043	103,049	50,729	21,982	23,335	10,869
Adjusted gross income (less deficit).....	10,201,548	692,695	2,235,184	2,043,768	1,399,543	782,999	1,185,549	1,861,810
Salaries and wages:								
Number of returns.....	268,034	90,811	92,148	47,264	19,922	7,880	7,348	2,661
Amount.....	7,364,341	700,394	1,911,463	1,679,113	1,082,646	589,649	772,843	628,234
Interest income:								
Number of returns.....	159,776	34,518	45,851	38,313	20,247	8,591	8,582	3,674
Amount.....	610,736	61,705	60,491	79,355	75,251	46,585	79,508	207,842
Dividends:								
Number of returns.....	51,483	7,963	8,816	11,519	9,023	4,872	6,116	3,174
Amount.....	350,344	14,307	17,697	30,046	36,081	28,190	64,088	159,936
Net capital gain (less loss):								
Number of returns.....	25,919	3,125	3,224	4,873	4,677	2,879	4,310	2,831
Amount.....	502,057	70,540	2,090	6,143	14,235	13,850	46,984	348,215
Taxable pensions and annuities:								
Number of returns.....	47,545	12,185	14,358	10,353	5,591	2,218	2,063	777
Amount.....	780,050	92,631	194,829	189,188	136,000	61,841	68,028	37,533
Unemployment compensation:								
Number of returns.....	11,473	5,494	4,046	1,256	482	111	76	8
Amount.....	31,002	13,441	11,944	3,612	1,416	308	253	29
Number of sole proprietorship returns.....	29,118	7,692	6,031	5,491	3,788	2,074	2,710	1,332
Number of farm returns (Schedule F).....	287	26	33	39	49	39	48	53
Total itemized deductions:								
Number of returns.....	97,871	6,450	20,701	29,477	20,105	8,739	8,702	3,697
Amount.....	1,698,604	71,782	176,253	305,968	288,252	176,221	279,276	400,851
Average (whole dollars).....	17,356	11,129	8,515	10,380	14,338	20,165	32,094	108,427
Taxable income:								
Number of returns.....	265,593	65,968	101,803	53,124	23,039	9,117	8,839	3,703
Amount.....	6,936,794	256,972	1,352,827	1,446,510	1,003,481	564,973	862,843	1,449,188
Total tax liability :								
Number of returns.....	264,157	65,660	100,593	53,146	23,062	9,124	8,858	3,714
Amount.....	1,512,356	42,077	206,569	265,452	212,758	133,331	230,892	421,277
Average (whole dollars).....	5,726	641	2,054	4,995	9,226	14,614	26,066	113,430
Earned income credit:								
Number of returns.....	44,782	29,312	15,470	--	--	--	--	--
Amount.....	25,383	21,284	4,099	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	29,878	26,665	3,213	--	--	--	--	--
Amount.....	17,824	17,065	760	--	--	--	--	--
Overpayment:								
Number of returns.....	225,390	86,178	80,703	35,708	13,592	4,693	3,616	900
Amount.....	241,187	58,848	65,723	48,028	27,114	12,892	15,569	13,013
Tax due at time of filing:								
Number of returns.....	71,109	16,273	20,745	16,128	8,356	3,758	4,083	1,766
Amount.....	149,535	7,002	13,724	17,697	16,454	10,949	24,317	59,392

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
FLORIDA								
Number of returns.....	6,141,001	2,700,305	1,636,730	1,021,587	473,476	144,369	111,887	52,647
Number with paid preparer's signature.....	2,830,714	1,049,652	745,757	536,374	270,575	92,686	87,499	48,171
Number of exemptions.....	13,390,165	4,457,984	3,787,915	2,774,487	1,419,064	441,163	345,529	164,023
Adjusted gross income (less deficit).....	176,297,385	16,366,149	35,128,543	39,533,613	28,405,488	12,311,453	14,902,518	29,649,621
Salaries and wages:								
Number of returns.....	4,874,663	2,059,453	1,324,106	856,587	396,597	116,793	83,360	37,767
Amount.....	117,421,098	14,772,760	25,959,239	29,689,553	20,789,240	8,231,332	8,079,066	9,899,908
Interest income:								
Number of returns.....	3,560,235	1,079,694	969,542	788,976	424,474	136,862	108,549	52,138
Amount.....	17,984,646	2,605,831	3,198,444	3,040,937	2,265,530	1,156,282	1,728,532	3,989,091
Dividends:								
Number of returns.....	1,325,931	316,491	317,516	297,503	198,999	78,920	74,556	41,946
Amount.....	7,321,260	677,007	949,654	1,092,290	944,810	557,095	919,972	2,180,433
Net capital gain (less loss):								
Number of returns.....	828,323	176,771	180,902	178,371	128,307	58,726	64,738	40,508
Amount.....	9,542,014	369,230	143,985	381,777	575,373	491,341	1,129,702	6,450,605
Taxable pensions and annuities:								
Number of returns.....	1,089,114	316,141	336,731	235,369	124,145	37,783	27,397	11,548
Amount.....	11,919,502	1,649,602	3,197,404	3,053,089	2,020,886	738,919	670,017	589,584
Unemployment compensation:								
Number of returns.....	246,450	100,589	78,779	47,055	15,212	3,164	1,421	230
Amount.....	463,174	168,865	155,704	94,374	32,326	7,422	3,622	862
Number of sole proprietorship returns.....	790,885	286,962	195,452	155,065	81,620	29,222	28,436	14,128
Number of farm returns (Schedule F).....	34,227	8,713	6,965	7,468	4,961	1,948	2,297	1,875
Total itemized deductions:								
Number of returns.....	1,588,273	171,363	357,559	469,843	326,251	116,689	97,277	49,291
Amount.....	21,568,597	1,993,898	3,168,894	4,637,547	4,033,380	1,918,283	2,344,769	3,471,824
Average (whole dollars).....	13,580	11,636	8,863	9,871	12,363	16,440	24,105	70,436
Taxable income:								
Number of returns.....	4,876,675	1,477,784	1,601,314	1,017,416	472,263	143,947	111,510	52,441
Amount.....	120,077,338	5,252,459	19,527,893	26,952,566	20,933,083	9,433,144	11,872,689	26,105,503
Total tax liability:								
Number of returns.....	4,982,173	1,579,994	1,603,429	1,018,019	472,480	144,051	111,651	52,549
Amount.....	25,642,979	969,104	3,148,250	4,616,512	4,144,751	2,159,765	3,161,025	7,443,574
Average (whole dollars).....	5,147	614	1,964	4,535	8,773	14,994	28,312	141,651
Earned income credit:								
Number of returns.....	762,327	562,259	200,068	--	--	--	--	--
Amount.....	465,636	411,039	54,597	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	527,683	490,008	37,675	--	--	--	--	--
Amount.....	324,750	315,746	9,003	--	--	--	--	--
Overpayment:								
Number of returns.....	4,216,760	2,008,376	1,191,696	670,369	240,419	58,779	35,254	11,867
Amount.....	4,050,535	1,252,893	970,842	829,031	435,512	166,585	186,456	209,217
Tax due at time of filing:								
Number of returns.....	1,429,233	400,840	369,821	297,051	200,760	71,625	60,129	29,007
Amount.....	3,609,552	173,016	305,287	395,089	428,413	277,450	517,886	1,512,410

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
GEORGIA								
Number of returns.....	2,881,979	1,222,355	741,245	508,239	259,127	79,099	53,638	18,276
Number with paid preparer's signature.....	1,324,373	461,239	335,786	278,041	147,123	46,790	39,028	16,366
Number of exemptions.....	6,248,052	1,891,849	1,688,916	1,398,070	791,714	247,145	170,864	59,494
Adjusted gross income (less deficit).....	81,446,750	7,522,797	15,990,222	19,743,141	15,583,032	6,737,267	7,036,856	8,833,434
Salaries and wages:								
Number of returns.....	2,549,389	1,027,529	669,352	473,235	243,331	73,305	47,364	15,273
Amount.....	65,205,837	7,277,029	13,561,503	16,906,600	13,223,970	5,437,521	4,873,608	3,925,606
Interest income:								
Number of returns.....	1,432,845	361,323	342,090	357,929	226,620	74,724	52,063	18,096
Amount.....	4,093,943	610,050	687,857	727,275	590,907	309,255	423,856	744,744
Dividends:								
Number of returns.....	454,439	75,837	77,624	110,276	98,268	42,493	35,327	14,614
Amount.....	1,432,951	104,018	126,070	182,391	191,657	127,164	216,241	485,411
Net capital gain (less loss):								
Number of returns.....	237,978	37,780	39,125	51,165	46,847	23,978	25,868	13,215
Amount.....	2,516,163	210,209	74,154	122,691	172,491	141,660	325,044	1,469,914
Taxable pensions and annuities:								
Number of returns.....	357,102	85,596	99,941	87,867	53,788	16,743	10,169	2,998
Amount.....	3,455,995	452,507	892,117	918,830	657,014	257,189	189,683	88,655
Unemployment compensation:								
Number of returns.....	214,241	78,838	69,808	48,048	14,327	2,305	809	106
Amount.....	264,258	89,064	83,241	62,948	22,997	4,092	1,667	248
Number of sole proprietorship returns.....	355,051	108,274	85,688	80,744	45,876	15,650	13,780	5,039
Number of farm returns (Schedule F).....	44,554	12,223	10,465	10,648	6,281	2,119	1,781	1,037
Total itemized deductions:								
Number of returns.....	858,341	51,028	154,734	283,345	222,722	75,706	52,634	18,172
Amount.....	11,727,341	497,932	1,315,231	2,829,398	2,920,820	1,386,132	1,439,336	1,338,494
Average (whole dollars).....	13,663	9,759	8,500	9,986	13,115	18,310	27,347	73,657
Taxable income:								
Number of returns.....	2,303,007	658,706	727,893	506,805	258,809	79,007	53,551	18,236
Amount.....	52,542,145	2,245,279	8,868,170	13,033,179	10,897,728	4,850,917	5,260,298	7,386,575
Total tax liability:								
Number of returns.....	2,338,144	693,384	727,864	507,103	258,898	79,047	53,586	18,262
Amount.....	10,692,714	405,103	1,423,276	2,203,253	2,094,478	1,081,485	1,373,555	2,111,565
Average (whole dollars).....	4,574	585	1,956	4,345	8,090	13,682	25,633	115,627
Earned income credit:								
Number of returns.....	451,038	333,018	118,020	--	--	--	--	--
Amount.....	274,952	242,672	32,280	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	318,618	298,003	20,615	--	--	--	--	--
Amount.....	196,913	192,063	4,849	--	--	--	--	--
Overpayment:								
Number of returns.....	2,144,561	976,655	582,003	368,676	153,986	38,285	20,362	4,594
Amount.....	2,078,803	643,518	493,357	453,999	256,725	89,792	83,697	57,715
Tax due at time of filing:								
Number of returns.....	602,713	159,678	142,725	126,922	97,040	37,001	28,642	10,705
Amount.....	1,329,116	70,189	129,720	170,277	188,512	119,517	206,965	443,936

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
HAWAII								
Number of returns.....	555,488	206,399	152,346	101,995	58,877	19,035	12,340	4,496
Number with paid preparer's signature.....	252,840	74,095	66,406	53,584	33,809	11,768	9,181	3,997
Number of exemptions.....	1,145,166	262,986	315,620	271,480	183,660	59,597	37,986	13,837
Adjusted gross income (less deficit).....	17,462,616	1,080,887	3,299,330	3,974,169	3,560,820	1,617,371	1,628,512	2,301,526
Salaries and wages:								
Number of returns.....	472,901	160,771	134,600	92,198	54,211	17,268	10,433	3,420
Amount.....	12,771,514	1,143,904	2,707,945	3,199,491	2,835,143	1,202,410	929,731	752,890
Interest income:								
Number of returns.....	407,671	112,239	113,273	90,377	56,472	18,677	12,165	4,468
Amount.....	968,460	128,302	159,127	177,330	154,368	77,042	99,127	173,164
Dividends:								
Number of returns.....	115,057	21,159	23,155	26,635	22,795	10,070	7,827	3,416
Amount.....	345,781	27,181	36,720	52,025	52,480	32,721	53,068	91,585
Net capital gain (less loss):								
Number of returns.....	57,317	8,454	9,450	12,241	11,595	6,038	6,302	3,237
Amount.....	1,199,686	57,581	16,987	33,777	61,419	63,736	181,083	785,104
Taxable pensions and annuities:								
Number of returns.....	85,913	20,041	23,927	20,139	13,228	4,426	3,068	1,084
Amount.....	1,028,353	107,145	239,912	276,517	214,828	86,504	68,370	35,076
Unemployment compensation:								
Number of returns.....	20,490	4,411	6,919	6,045	2,536	396	163	20
Amount.....	36,371	8,081	12,950	10,055	4,121	734	376	55
Number of sole proprietorship returns.....	74,116	19,100	16,648	16,226	11,767	4,772	4,011	1,592
Number of farm returns (Schedule F).....	4,995	1,412	1,208	1,138	703	235	177	122
Total itemized deductions:								
Number of returns.....	166,851	8,687	26,918	50,057	47,014	17,846	11,906	4,423
Amount.....	2,710,869	169,142	238,081	546,335	685,198	336,612	367,086	368,414
Average (whole dollars).....	16,248	19,471	8,845	10,915	14,575	18,863	30,833	83,296
Taxable income:								
Number of returns.....	475,489	129,840	149,552	101,517	58,768	19,011	12,311	4,490
Amount.....	11,824,875	486,517	1,947,012	2,649,511	2,452,904	1,158,657	1,221,530	1,908,744
Total tax liability:								
Number of returns.....	481,830	135,384	150,127	101,682	58,797	19,022	12,324	4,494
Amount.....	2,463,848	85,447	313,734	463,498	477,233	260,882	324,067	538,987
Average (whole dollars).....	5,114	632	2,090	4,559	8,117	13,715	26,296	119,935
Earned income credit:								
Number of returns.....	36,291	22,071	14,220	--	--	--	--	--
Amount.....	18,805	15,117	3,688	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	19,984	17,742	2,242	--	--	--	--	--
Amount.....	10,869	10,360	509	--	--	--	--	--
Overpayment:								
Number of returns.....	371,253	151,217	113,843	64,294	29,218	7,616	3,962	1,103
Amount.....	334,546	72,040	83,128	73,887	49,620	18,261	17,573	20,039
Tax due at time of filing:								
Number of returns.....	146,597	33,587	34,303	33,565	26,507	9,850	6,481	2,304
Amount.....	348,262	13,975	26,161	40,515	51,389	34,417	59,365	122,439

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
IDAHO								
Number of returns.....	427,628	188,465	113,674	79,936	31,030	7,339	5,304	1,880
Number with paid preparer's signature.....	217,917	79,895	60,485	46,824	19,304	5,180	4,463	1,766
Number of exemptions.....	1,039,872	309,928	313,151	262,192	104,908	24,908	18,449	6,336
Adjusted gross income (less deficit).....	10,634,431	1,016,109	2,475,637	3,084,794	1,843,584	624,970	702,175	887,162
Salaries and wages:								
Number of returns.....	355,941	148,268	96,349	72,016	27,696	6,156	4,042	1,414
Amount.....	7,820,953	982,657	1,897,266	2,489,025	1,404,507	397,184	338,189	312,126
Interest income:								
Number of returns.....	257,003	83,391	68,564	62,609	28,357	7,023	5,186	1,873
Amount.....	719,115	148,858	160,477	139,473	93,366	42,482	58,749	75,709
Dividends:								
Number of returns.....	78,629	18,393	18,212	20,186	12,822	4,134	3,432	1,450
Amount.....	218,181	25,637	31,921	35,939	28,095	15,465	23,286	57,838
Net capital gain (less loss):								
Number of returns.....	61,005	14,357	14,533	14,357	9,473	3,552	3,289	1,444
Amount.....	451,074	35,496	37,814	49,862	54,885	34,416	67,219	171,384
Taxable pensions and annuities:								
Number of returns.....	61,950	20,302	19,382	13,455	6,089	1,501	924	297
Amount.....	541,615	102,911	171,132	140,500	75,018	22,303	17,239	12,512
Unemployment compensation:								
Number of returns.....	40,327	13,524	15,977	8,966	1,593	188	70	9
Amount.....	62,940	18,173	26,531	14,865	2,832	369	157	13
Number of sole proprietorship returns.....	70,976	22,732	20,686	16,767	6,611	1,930	1,700	550
Number of farm returns (Schedule F).....	21,978	7,317	6,082	5,104	2,107	614	523	231
Total itemized deductions:								
Number of returns.....	120,453	9,997	25,812	45,005	26,061	6,710	5,027	1,841
Amount.....	1,397,058	85,637	204,884	418,166	319,927	110,348	123,985	134,111
Average (whole dollars).....	11,599	8,567	7,938	9,292	12,277	16,446	24,664	72,847
Taxable income:								
Number of returns.....	338,908	103,244	110,376	79,783	31,004	7,333	5,291	1,877
Amount.....	6,581,566	318,976	1,261,972	1,964,922	1,289,985	463,017	541,627	741,067
Total tax liability :								
Number of returns.....	349,265	113,029	110,965	79,756	31,001	7,335	5,300	1,879
Amount.....	1,329,668	63,159	212,099	333,353	254,351	108,688	146,296	211,721
Average (whole dollars).....	3,808	559	1,912	4,180	8,205	14,818	27,604	112,678
Earned income credit:								
Number of returns.....	52,881	36,077	16,804	--	--	--	--	--
Amount.....	30,776	26,390	4,386	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	33,995	30,463	3,532	--	--	--	--	--
Amount.....	20,559	19,704	855	--	--	--	--	--
Overpayment:								
Number of returns.....	278,351	134,021	74,963	50,342	14,980	2,445	1,245	355
Amount.....	206,206	67,881	51,960	48,434	21,298	5,507	5,379	5,748
Tax due at time of filing:								
Number of returns.....	121,948	36,496	34,456	27,031	14,756	4,393	3,557	1,259
Amount.....	264,972	14,535	33,311	44,940	44,113	25,407	43,588	59,077

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued
 [Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ILLINOIS								
Number of returns.....	5,357,997	2,086,804	1,322,530	1,045,849	565,756	169,747	120,574	46,937
Number with paid preparer's signature.....	2,577,472	849,412	625,673	567,533	316,340	96,697	81,555	40,262
Number of exemptions.....	11,538,370	2,981,326	2,883,219	2,845,570	1,756,478	533,651	384,548	153,578
Adjusted gross income (less deficit).....	170,173,371	12,311,484	28,840,488	40,814,281	34,005,890	14,447,444	15,889,535	23,864,248
Salaries and wages:								
Number of returns.....	4,514,438	1,589,837	1,139,535	958,124	527,026	155,081	105,532	39,303
Amount.....	129,648,342	10,342,959	23,049,068	34,307,471	28,594,773	11,415,273	10,884,451	11,054,347
Interest income:								
Number of returns.....	3,520,121	1,002,627	822,155	846,703	521,748	162,929	117,415	46,544
Amount.....	11,705,240	1,904,911	2,075,807	2,071,863	1,617,948	780,042	1,044,973	2,209,696
Dividends:								
Number of returns.....	1,225,499	259,326	232,075	282,687	232,807	95,703	83,973	38,928
Amount.....	4,352,429	372,375	474,419	611,908	596,585	366,775	597,150	1,333,218
Net capital gain (less loss):								
Number of returns.....	570,579	96,829	96,108	123,872	108,388	52,714	58,505	34,163
Amount.....	5,749,946	319,128	110,496	235,144	339,267	312,917	760,503	3,672,491
Taxable pensions and annuities:								
Number of returns.....	834,542	269,134	233,253	171,618	99,635	31,548	21,521	7,833
Amount.....	6,621,009	1,238,963	1,799,585	1,538,663	1,010,099	396,789	357,820	279,089
Unemployment compensation:								
Number of returns.....	323,840	96,220	101,189	85,114	33,105	5,480	2,378	354
Amount.....	740,918	200,530	254,276	193,660	72,432	12,738	6,329	952
Number of sole proprietorship returns.....	599,894	156,137	130,378	145,831	90,450	33,370	30,439	13,289
Number of farm returns (Schedule F).....	90,291	23,536	23,127	24,078	12,094	3,582	2,649	1,225
Total itemized deductions:								
Number of returns.....	1,489,328	85,452	222,299	463,070	411,335	147,710	113,155	46,307
Amount.....	19,898,758	933,265	1,880,781	4,400,707	4,916,956	2,358,909	2,622,065	2,786,096
Average (whole dollars).....	13,381	10,922	8,461	9,504	11,954	15,970	23,173	60,166
Taxable income:								
Number of returns.....	4,461,085	1,214,980	1,300,454	1,043,450	565,295	169,595	120,434	46,877
Amount.....	118,005,091	3,970,272	16,950,122	28,058,427	24,815,583	10,929,726	12,489,886	20,791,076
Total tax liability:								
Number of returns.....	4,503,014	1,257,444	1,299,305	1,043,820	565,401	169,650	120,483	46,911
Amount.....	24,983,861	703,346	2,725,963	4,883,032	4,893,439	2,494,507	3,309,083	5,974,492
Average (whole dollars).....	5,549	560	2,099	4,679	8,655	14,704	27,466	127,359
Earned income credit:								
Number of returns.....	516,679	364,326	152,353	--	--	--	--	--
Amount.....	298,717	258,406	40,311	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	348,882	321,062	27,820	--	--	--	--	--
Amount.....	208,596	201,962	6,634	--	--	--	--	--
Overpayment:								
Number of returns.....	3,752,207	1,517,477	1,006,824	753,123	335,220	82,093	45,931	11,539
Amount.....	3,867,543	845,103	853,137	1,034,566	585,168	197,025	192,120	160,423
Tax due at time of filing:								
Number of returns.....	1,242,926	346,915	267,960	256,548	207,509	77,004	61,610	25,380
Amount.....	2,791,259	127,895	224,463	356,896	417,739	263,818	447,726	952,722

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INDIANA								
Number of returns.....	2,525,554	1,049,967	622,751	511,193	238,017	58,006	33,227	12,393
Number with paid preparer's signature.....	1,203,331	422,376	301,960	275,764	132,768	34,626	24,624	11,213
Number of exemptions.....	5,562,421	1,518,322	1,458,657	1,488,333	759,263	186,873	109,518	41,455
Adjusted gross income (less deficit).....	68,950,703	6,238,219	13,526,432	19,946,183	14,207,445	4,910,480	4,353,455	5,768,489
Salaries and wages:								
Number of returns.....	2,150,182	818,847	539,222	476,252	224,074	53,017	28,336	10,434
Amount.....	54,334,429	5,274,902	10,868,397	17,251,553	12,153,524	3,797,382	2,598,933	2,389,739
Interest income:								
Number of returns.....	1,546,536	464,746	365,960	398,135	217,294	55,654	32,457	12,290
Amount.....	4,040,453	792,434	886,493	810,206	563,745	247,533	290,621	449,421
Dividends:								
Number of returns.....	450,854	98,476	90,231	113,754	86,073	30,289	22,097	9,934
Amount.....	1,255,765	119,071	156,947	187,411	169,390	100,012	156,511	366,423
Net capital gain (less loss):								
Number of returns.....	223,251	43,747	44,269	52,527	40,476	17,362	16,112	8,758
Amount.....	1,434,839	93,647	73,021	120,958	138,776	99,579	195,561	713,297
Taxable pensions and annuities:								
Number of returns.....	403,249	150,366	115,286	78,813	40,021	10,640	6,066	2,057
Amount.....	2,967,856	734,129	918,177	655,248	372,636	134,257	98,414	54,995
Unemployment compensation:								
Number of returns.....	140,371	41,158	43,482	40,898	12,832	1,639	329	33
Amount.....	156,179	50,238	52,405	40,272	11,298	1,436	470	61
Number of sole proprietorship returns.....	297,641	83,537	73,622	76,655	38,627	11,663	9,751	3,786
Number of farm returns (Schedule F).....	67,569	18,591	17,619	18,142	8,879	2,295	1,364	679
Total itemized deductions:								
Number of returns.....	607,413	33,817	93,096	214,605	171,246	51,025	31,417	12,207
Amount.....	6,824,798	418,661	717,842	1,832,023	1,831,521	722,955	651,919	649,877
Average (whole dollars).....	11,236	12,381	7,711	8,537	10,696	14,169	20,751	53,239
Taxable income:								
Number of returns.....	2,066,434	599,926	614,436	510,628	237,889	57,978	33,194	12,383
Amount.....	46,122,310	1,959,891	7,694,757	13,657,349	10,506,539	3,781,458	3,481,474	5,040,841
Total tax liability:								
Number of returns.....	2,091,665	624,580	614,971	510,615	237,908	57,991	33,211	12,389
Amount.....	9,177,675	345,304	1,242,528	2,298,820	2,046,779	863,114	934,292	1,446,838
Average (whole dollars).....	4,388	553	2,021	4,503	8,604	14,884	28,133	116,785
Earned income credit:								
Number of returns.....	251,523	174,324	77,199	--	--	--	--	--
Amount.....	145,582	125,093	20,489	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	162,902	151,722	11,180	--	--	--	--	--
Amount.....	97,810	95,225	2,585	--	--	--	--	--
Overpayment:								
Number of returns.....	1,871,145	808,407	484,539	390,802	146,562	27,359	10,689	2,787
Amount.....	1,744,479	444,374	415,456	503,727	241,746	60,967	43,985	34,225
Tax due at time of filing:								
Number of returns.....	506,407	145,723	117,535	106,688	83,384	27,117	18,588	7,372
Amount.....	1,005,087	50,863	98,552	144,251	162,970	96,838	156,854	294,759

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
IOWA								
Number of returns.....	1,268,962	547,395	325,431	247,118	104,617	23,741	15,557	5,103
Number with paid preparer's signature.....	801,591	297,092	217,112	178,424	74,614	17,168	12,522	4,659
Number of exemptions.....	2,823,834	775,214	801,081	757,008	343,475	78,009	51,847	17,200
Adjusted gross income (less deficit).....	32,207,334	2,970,788	7,105,671	9,575,798	6,215,964	2,016,383	2,042,106	2,280,624
Salaries and wages:								
Number of returns.....	1,017,086	403,171	264,660	219,171	93,221	20,001	12,533	4,329
Amount.....	23,384,381	2,463,685	5,144,691	7,524,159	4,781,652	1,329,852	1,121,025	1,019,317
Interest income:								
Number of returns.....	905,860	313,954	233,354	215,003	99,913	23,214	15,349	5,073
Amount.....	2,702,111	550,658	652,645	575,867	378,105	155,389	178,556	212,891
Dividends:								
Number of returns.....	292,484	73,052	68,730	74,283	47,020	14,266	10,926	4,207
Amount.....	658,146	80,185	104,738	117,843	100,008	54,845	76,849	123,678
Net capital gain (less loss):								
Number of returns.....	184,902	43,421	46,540	45,281	27,363	9,867	8,704	3,726
Amount.....	866,795	77,772	114,826	150,652	118,428	64,304	102,102	238,711
Taxable pensions and annuities:								
Number of returns.....	186,294	67,712	57,104	37,194	16,358	4,286	2,758	882
Amount.....	1,251,350	293,018	406,301	287,793	148,219	52,702	41,751	21,566
Unemployment compensation:								
Number of returns.....	82,552	23,860	30,164	21,847	6,028	510	130	13
Amount.....	129,603	39,015	50,613	31,821	7,102	720	283	47
Number of sole proprietorship returns.....	174,818	52,312	49,193	44,139	18,345	5,204	4,295	1,330
Number of farm returns (Schedule F).....	104,637	32,412	31,224	26,093	10,029	2,644	1,712	523
Total itemized deductions:								
Number of returns.....	329,020	30,366	62,496	113,769	81,130	21,355	14,853	5,051
Amount.....	3,503,731	246,348	463,856	947,210	865,360	315,750	328,245	336,962
Average (whole dollars).....	10,649	8,113	7,423	8,326	10,667	14,786	22,100	66,712
Taxable income:								
Number of returns.....	1,047,084	330,877	320,367	246,881	104,581	23,733	15,547	5,098
Amount.....	21,025,224	1,010,347	3,953,567	6,451,537	4,549,341	1,537,499	1,611,830	1,911,103
Total tax liability:								
Number of returns.....	1,070,369	353,863	320,755	246,779	104,585	23,736	15,553	5,098
Amount.....	4,231,251	192,742	670,891	1,114,282	908,722	362,018	434,799	547,797
Average (whole dollars).....	3,954	545	2,092	4,516	8,689	15,252	27,956	107,454
Earned income credit:								
Number of returns.....	103,092	68,841	34,251	--	--	--	--	--
Amount.....	57,106	48,313	8,793	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	60,877	55,982	4,895	--	--	--	--	--
Amount.....	34,902	33,781	1,121	--	--	--	--	--
Overpayment:								
Number of returns.....	808,315	367,540	215,670	159,201	51,609	8,523	4,514	1,258
Amount.....	634,468	172,642	166,559	171,627	73,700	18,240	17,709	13,990
Tax due at time of filing:								
Number of returns.....	365,357	118,265	94,126	78,900	48,474	13,423	9,220	2,949
Amount.....	694,029	44,587	107,806	163,648	145,450	70,838	84,848	76,852

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1989 (CORRECTION)

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
IOWA								
Total tax liability:								
Number of returns.....	1,056,142	364,308	321,524	238,535	92,761	20,603	13,877	4,534
Amount.....	3,971,919	196,333	674,649	1,078,452	821,510	318,712	392,400	489,864
Average (whole dollars).....	3,760	538	2,098	4,521	8,856	15,469	28,277	108,042
Earned income credit:								
Number of returns.....	98,520	68,557	28,963	--	--	--	--	--
Amount.....	51,701	45,554	8,147	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	61,204	57,720	3,484	--	--	--	--	--
Amount.....	31,722	31,118	656	--	--	--	--	--
Overpayment:								
Number of returns.....	785,696	365,415	213,412	153,065	42,292	6,673	3,740	1,099
Amount.....	601,397	167,207	163,484	164,280	58,753	14,642	15,449	17,603
Tax due at time of filing:								
Number of returns.....	370,835	125,449	97,562	77,633	46,637	12,398	8,516	2,840
Amount.....	860,101	45,529	107,894	157,749	135,995	65,336	79,537	68,061

See notes following Table 20.

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
KANSAS								
Number of returns.....	1,103,989	447,258	284,160	218,591	102,757	26,992	17,947	6,284
Number with paid preparer's signature.....	635,242	218,959	168,261	142,068	67,536	18,574	14,115	5,729
Number of exemptions.....	2,497,991	653,014	696,103	651,679	329,460	87,253	59,401	21,081
Adjusted gross income (less deficit).....	31,092,601	2,593,252	6,196,650	8,483,357	6,144,521	2,293,971	2,357,404	3,023,446
Salaries and wages:								
Number of returns.....	915,283	342,334	239,478	196,512	93,215	23,620	14,923	5,201
Amount.....	23,009,674	2,207,303	4,729,494	6,836,664	4,896,361	1,641,185	1,417,468	1,281,199
Interest income:								
Number of returns.....	719,785	219,270	178,551	176,934	95,095	26,093	17,602	6,240
Amount.....	2,414,922	422,976	500,019	472,883	339,483	153,770	191,391	334,399
Dividends:								
Number of returns.....	232,851	48,704	49,434	59,782	42,449	15,252	12,132	5,098
Amount.....	675,765	58,831	79,013	95,045	88,332	53,245	83,412	217,887
Net capital gain (less loss):								
Number of returns.....	141,930	28,935	30,436	33,810	24,110	10,212	9,706	4,721
Amount.....	758,184	61,255	47,626	70,821	71,469	50,810	99,202	357,003
Taxable pensions and annuities:								
Number of returns.....	167,847	50,072	49,952	38,010	19,626	5,573	3,546	1,068
Amount.....	1,298,792	225,924	376,867	329,511	205,810	74,044	55,741	30,894
Unemployment compensation:								
Number of returns.....	63,141	20,850	21,703	15,144	4,588	611	222	23
Amount.....	114,406	35,505	40,953	27,737	8,454	1,205	487	66
Number of sole proprietorship returns.....	163,958	44,607	42,612	42,297	20,352	6,396	5,434	2,260
Number of farm returns (Schedule F).....	67,475	20,464	18,714	16,624	7,466	2,107	1,560	540
Total itemized deductions:								
Number of returns.....	304,855	21,433	52,796	103,050	80,104	24,195	17,058	6,219
Amount.....	3,764,935	252,470	445,220	931,550	931,128	386,792	400,552	417,222
Average (whole dollars).....	12,350	11,780	8,433	9,040	11,624	15,987	23,482	67,089
Taxable income:								
Number of returns.....	913,803	262,675	278,967	218,317	102,679	26,966	17,923	6,276
Amount.....	20,529,230	832,935	3,422,783	5,688,201	4,446,395	1,723,703	1,841,209	2,574,005
Total tax liability :								
Number of returns.....	932,321	280,699	279,432	218,308	102,697	26,972	17,933	6,280
Amount.....	4,218,338	157,650	569,643	977,858	878,459	398,953	493,630	742,146
Average (whole dollars).....	4,525	562	2,039	4,480	8,554	14,792	27,527	118,177
Earned income credit:								
Number of returns.....	101,547	67,552	33,995	--	--	--	--	--
Amount.....	56,804	47,933	8,871	--	--	--	--	--
Excess earned income credit:³								
Number of returns.....	62,761	57,032	5,729	--	--	--	--	--
Amount.....	36,684	35,343	1,341	--	--	--	--	--
Overpayment:								
Number of returns.....	729,121	314,753	198,369	144,315	53,578	10,903	5,696	1,507
Amount.....	620,213	162,730	153,552	157,968	79,772	24,673	23,512	18,005
Tax due at time of filing:								
Number of returns.....	297,510	85,769	73,283	65,893	44,470	14,149	10,215	3,731
Amount.....	642,507	33,089	73,804	113,040	111,469	64,422	92,400	154,282

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
KENTUCKY								
Number of returns.....	1,515,983	694,251	383,539	271,271	114,311	26,624	18,705	7,282
Number with paid preparer's signature.....	845,865	341,856	223,995	170,429	70,951	17,413	14,575	6,646
Number of exemptions.....	3,384,051	1,127,510	936,754	790,450	360,803	85,070	59,864	23,600
Adjusted gross income (less deficit).....	38,049,902	4,348,008	8,317,818	10,506,325	6,803,232	2,260,088	2,482,254	3,332,177
Salaries and wages:								
Number of returns.....	1,279,281	543,804	333,435	250,800	105,885	23,674	15,684	5,999
Amount.....	29,371,649	3,646,331	6,660,126	8,917,512	5,627,902	1,649,531	1,477,516	1,392,731
Interest income:								
Number of returns.....	820,986	252,338	211,578	203,935	102,402	25,322	18,199	7,212
Amount.....	2,373,213	480,323	517,521	455,611	315,419	138,118	179,836	286,386
Dividends:								
Number of returns.....	227,710	47,347	47,603	57,587	42,180	14,564	12,589	5,840
Amount.....	729,412	63,487	80,783	104,102	100,899	61,997	100,794	217,350
Net capital gain (less loss):								
Number of returns.....	125,980	26,391	26,405	29,106	21,187	8,719	9,095	5,077
Amount.....	954,088	64,189	51,534	78,779	84,875	60,190	124,943	489,578
Taxable pensions and annuities:								
Number of returns.....	216,557	77,356	64,398	43,737	20,871	5,445	3,582	1,168
Amount.....	1,763,968	391,229	546,559	415,275	231,380	75,070	57,705	46,751
Unemployment compensation:								
Number of returns.....	146,313	46,368	53,128	36,427	9,108	900	344	38
Amount.....	193,773	61,577	73,526	45,341	11,108	1,418	722	82
Number of sole proprietorship returns.....	199,349	73,550	50,617	41,850	19,618	5,890	5,521	2,303
Number of farm returns (Schedule F).....	86,752	30,982	24,274	19,997	7,620	1,666	1,420	793
Total itemized deductions:								
Number of returns.....	378,762	24,803	72,799	138,529	92,952	24,518	17,970	7,191
Amount.....	4,353,915	280,740	542,601	1,222,424	1,070,251	391,420	411,158	435,321
Average (whole dollars).....	11,496	11,319	7,454	8,825	11,515	15,965	22,881	60,537
Taxable income:								
Number of returns.....	1,182,960	366,792	378,453	270,927	114,228	26,600	18,686	7,274
Amount.....	24,178,379	1,213,488	4,528,817	7,034,378	4,904,221	1,692,360	1,952,497	2,852,619
Total tax liability:								
Number of returns.....	1,223,641	406,887	378,985	270,952	114,239	26,609	18,692	7,277
Amount.....	4,832,710	233,344	741,666	1,175,918	950,130	388,093	524,051	819,507
Average (whole dollars).....	3,950	574	1,957	4,340	8,318	14,586	28,037	112,617
Earned income credit:								
Number of returns.....	208,868	153,322	55,546	--	--	--	--	--
Amount.....	123,857	108,997	14,861	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	138,731	130,644	8,087	--	--	--	--	--
Amount.....	83,471	81,642	1,829	--	--	--	--	--
Overpayment:								
Number of returns.....	1,103,991	526,285	289,757	201,039	67,625	11,754	5,729	1,802
Amount.....	982,603	307,642	240,952	244,800	111,160	28,655	25,672	23,722
Tax due at time of filing:								
Number of returns.....	322,340	109,666	81,347	61,997	41,872	12,765	10,525	4,168
Amount.....	598,872	42,900	72,014	84,010	86,631	49,787	87,786	175,744

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
LOUISIANA								
Number of returns.....	1,688,430	813,288	408,854	277,359	126,100	32,369	21,607	8,853
Number with paid preparer's signature.....	740,180	292,703	184,834	146,386	71,308	20,227	16,800	8,122
Number of exemptions.....	3,932,507	1,413,222	1,060,993	838,549	412,598	108,041	71,426	29,678
Adjusted gross income (less deficit).....	41,387,991	4,687,207	8,824,865	10,759,871	7,538,827	2,747,878	2,861,008	3,968,735
Salaries and wages:								
Number of returns.....	1,436,979	656,033	357,844	254,614	116,019	28,517	17,181	6,771
Amount.....	32,354,031	4,494,325	7,212,059	9,092,271	6,218,065	2,026,807	1,600,463	1,710,240
Interest income:								
Number of returns.....	844,816	258,588	211,550	203,044	111,532	30,467	20,906	8,729
Amount.....	2,517,035	438,613	484,841	470,451	354,505	166,193	237,537	364,895
Dividends:								
Number of returns.....	245,198	49,568	50,114	61,391	46,242	16,818	14,076	6,989
Amount.....	695,266	63,129	79,902	103,052	100,951	62,587	105,560	180,086
Net capital gain (less loss):								
Number of returns.....	124,945	23,873	23,007	28,088	23,005	10,216	10,544	6,214
Amount.....	817,802	52,945	21,354	37,418	58,033	51,539	109,902	486,610
Taxable pensions and annuities:								
Number of returns.....	224,963	69,134	65,003	50,031	27,414	7,587	4,373	1,421
Amount.....	2,119,262	390,388	609,676	529,960	338,517	117,745	88,084	44,892
Unemployment compensation:								
Number of returns.....	85,934	35,053	27,862	17,666	4,579	597	153	24
Amount.....	121,553	44,529	41,855	26,400	7,393	1,048	286	42
Number of sole proprietorship returns.....	209,400	73,428	51,079	43,621	22,866	7,689	7,188	3,509
Number of farm returns (Schedule F).....	25,621	8,245	6,060	5,812	3,278	1,009	789	428
Total itemized deductions:								
Number of returns.....	321,407	22,855	61,216	104,127	80,488	25,344	18,745	8,632
Amount.....	3,664,167	192,694	501,925	931,066	867,413	355,444	382,403	433,223
Average (whole dollars).....	11,401	8,432	8,200	8,942	10,777	14,025	20,401	50,189
Taxable income:								
Number of returns.....	1,259,317	392,485	401,159	276,908	126,003	32,348	21,573	8,841
Amount.....	26,761,883	1,236,908	4,679,305	7,281,506	5,609,964	2,146,850	2,327,977	3,479,372
Total tax liability:								
Number of returns.....	1,287,459	420,713	400,989	276,945	126,026	32,354	21,585	8,847
Amount.....	5,452,046	232,396	754,827	1,222,937	1,104,189	496,433	635,568	1,005,696
Average (whole dollars).....	4,235	553	1,883	4,416	8,762	15,344	29,445	113,677
Earned income credit:								
Number of returns.....	333,570	260,874	72,696	--	--	--	--	--
Amount.....	207,418	187,462	19,955	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	251,188	236,846	14,342	--	--	--	--	--
Amount.....	157,162	153,710	3,451	--	--	--	--	--
Overpayment:								
Number of returns.....	1,236,103	635,349	313,919	198,029	68,056	13,048	5,905	1,797
Amount.....	1,102,586	425,591	262,126	232,983	105,630	28,684	25,254	22,119
Tax due at time of filing:								
Number of returns.....	348,581	107,106	83,082	70,881	52,612	16,945	12,708	5,247
Amount.....	690,021	42,041	71,024	92,714	105,741	64,975	111,985	201,541

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MAINE								
Number of returns.....	566,064	238,216	155,161	109,721	44,521	9,503	6,606	2,336
Number with paid preparer's signature.....	231,647	77,155	63,588	54,468	23,518	5,824	4,983	2,111
Number of exemptions.....	1,200,825	332,072	352,254	317,212	140,103	30,256	21,461	7,467
Adjusted gross income (less deficit).....	14,390,851	1,477,098	3,364,292	4,243,899	2,641,706	808,271	874,418	981,167
Salaries and wages:								
Number of returns.....	479,120	187,082	135,108	100,870	40,822	8,145	5,262	1,831
Amount.....	10,939,101	1,218,164	2,656,769	3,535,764	2,137,105	552,473	464,063	374,765
Interest income:								
Number of returns.....	378,767	119,448	104,774	93,672	42,615	9,365	6,561	2,332
Amount.....	954,036	181,856	212,617	198,766	132,843	59,065	77,111	91,778
Dividends:								
Number of returns.....	102,756	24,624	24,125	25,537	16,779	5,233	4,568	1,890
Amount.....	362,244	35,078	51,017	62,734	58,356	33,122	53,843	68,094
Net capital gain (less loss):								
Number of returns.....	53,046	11,239	11,637	12,538	8,798	3,548	3,585	1,701
Amount.....	402,629	24,949	28,166	42,621	49,449	36,046	66,952	154,447
Taxable pensions and annuities:								
Number of returns.....	83,136	26,170	26,144	18,325	8,609	2,092	1,371	425
Amount.....	717,189	130,309	230,775	187,562	102,203	31,010	25,193	10,136
Unemployment compensation:								
Number of returns.....	53,899	21,968	18,340	11,032	2,209	270	73	7
Amount.....	100,602	41,721	35,367	18,981	3,840	548	131	15
Number of sole proprietorship returns.....	90,683	31,128	25,096	20,805	8,515	2,386	2,085	668
Number of farm returns (Schedule F).....	4,753	1,588	1,320	1,071	498	110	120	46
Total itemized deductions:								
Number of returns.....	148,866	10,453	28,491	54,956	37,156	9,051	6,449	2,310
Amount.....	1,817,872	101,964	240,755	528,150	457,805	158,639	172,359	158,200
Average (whole dollars).....	12,212	9,755	8,451	9,611	12,322	17,528	26,727	68,485
Taxable income:								
Number of returns.....	466,703	141,696	152,720	109,412	44,457	9,494	6,592	2,332
Amount.....	9,118,748	482,018	1,900,624	2,808,499	1,868,222	588,889	661,637	808,858
Total tax liability:								
Number of returns.....	477,866	152,202	153,329	109,432	44,475	9,496	6,598	2,334
Amount.....	1,776,666	90,576	312,099	470,721	359,125	134,732	177,386	232,027
Average (whole dollars).....	3,718	596	2,036	4,302	8,075	14,189	26,885	99,412
Earned income credit:								
Number of returns.....	53,094	35,501	17,593	--	--	--	--	--
Amount.....	29,118	24,529	4,589	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	30,896	28,523	2,373	--	--	--	--	--
Amount.....	17,132	16,609	523	--	--	--	--	--
Overpayment:								
Number of returns.....	411,263	176,679	116,979	81,671	28,357	4,562	2,359	656
Amount.....	371,501	92,308	94,429	101,362	50,349	12,596	11,943	8,514
Tax due at time of filing:								
Number of returns.....	120,356	40,066	32,991	24,475	14,147	4,123	3,275	1,279
Amount.....	198,120	15,660	28,362	32,938	29,708	17,046	30,085	44,322

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued
 [Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MARYLAND								
Number of returns.....	2,333,538	796,779	590,806	460,751	287,833	109,167	68,532	19,670
Number with paid preparer's signature.....	940,591	253,921	226,126	215,006	137,827	50,750	40,226	16,735
Number of exemptions.....	4,801,869	1,014,622	1,178,507	1,135,358	852,993	338,315	217,432	64,642
Adjusted gross income (less deficit).....	79,890,956	4,587,474	12,891,996	18,016,347	17,465,247	9,317,322	8,842,893	8,769,678
Salaries and wages:								
Number of returns.....	2,016,453	628,473	521,219	420,320	267,002	101,581	61,548	16,310
Amount.....	62,818,252	4,323,543	10,693,277	15,120,835	14,708,452	7,682,674	6,300,541	3,988,928
Interest income:								
Number of returns.....	1,516,136	350,791	338,304	369,329	265,207	105,488	67,440	19,577
Amount.....	4,380,773	574,202	609,806	728,893	676,779	390,684	520,058	880,352
Dividends:								
Number of returns.....	489,935	84,727	76,789	109,045	105,045	53,980	44,388	15,961
Amount.....	1,654,646	117,480	151,545	224,178	251,468	172,185	274,298	463,492
Net capital gain (less loss):								
Number of returns.....	231,262	31,566	30,994	45,936	48,091	29,426	31,123	14,126
Amount.....	2,069,923	145,486	38,873	81,145	130,604	133,629	336,902	1,203,284
Taxable pensions and annuities:								
Number of returns.....	354,017	80,378	90,966	82,255	58,550	23,122	15,077	3,669
Amount.....	4,499,440	464,318	934,993	1,118,071	976,929	458,219	377,844	169,066
Unemployment compensation:								
Number of returns.....	116,053	33,582	36,880	28,690	13,182	2,615	1,004	100
Amount.....	229,517	67,347	75,659	53,183	25,211	5,550	2,315	251
Number of sole proprietorship returns.....	269,903	57,523	52,867	64,662	49,151	21,475	18,291	5,934
Number of farm returns (Schedule F).....	13,269	3,359	2,802	2,900	2,065	867	786	490
Total itemized deductions:								
Number of returns.....	916,530	41,752	136,961	285,056	258,387	106,837	67,955	19,582
Amount.....	14,105,345	513,151	1,221,056	3,100,310	3,724,441	2,066,972	1,920,315	1,559,100
Average (whole dollars).....	15,390	12,291	8,916	10,877	14,415	19,347	28,259	79,620
Taxable income:								
Number of returns.....	2,022,668	498,976	580,125	459,016	287,450	109,059	68,432	19,610
Amount.....	53,333,888	1,714,488	7,627,496	11,890,308	11,911,601	6,574,261	6,501,619	7,114,115
Total tax liability:								
Number of returns.....	2,033,587	509,735	579,761	459,322	287,550	109,102	68,472	19,645
Amount.....	11,008,589	295,397	1,206,293	2,062,274	2,281,980	1,442,946	1,672,509	2,047,191
Average (whole dollars).....	5,414	580	2,081	4,490	7,936	13,226	24,427	104,210
Earned income credit:								
Number of returns.....	203,222	133,815	69,407	--	--	--	--	--
Amount.....	115,300	96,971	18,329	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	127,278	115,758	11,520	--	--	--	--	--
Amount.....	75,168	72,516	2,652	--	--	--	--	--
Overpayment:								
Number of returns.....	1,670,558	596,030	465,045	335,175	181,349	57,923	29,498	5,538
Amount.....	1,770,685	333,843	376,710	436,053	311,706	127,295	112,279	72,798
Tax due at time of filing:								
Number of returns.....	545,101	133,637	111,305	113,231	97,175	46,372	33,052	10,329
Amount.....	1,049,160	46,569	81,197	126,168	157,676	113,369	190,628	333,553

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MASSACHUSETTS								
Number of returns.....	2,900,054	1,011,801	771,243	578,514	330,092	106,789	76,099	25,516
Number with paid preparer's signature.....	1,340,194	388,768	337,857	304,285	182,326	58,129	49,295	21,534
Number of exemptions.....	5,760,081	1,254,172	1,447,504	1,429,070	979,959	327,184	239,560	82,632
Adjusted gross income (less deficit).....	96,073,988	5,503,262	16,907,618	22,538,261	19,930,028	9,096,061	10,016,047	12,082,711
Salaries and wages:								
Number of returns.....	2,451,974	746,108	672,048	534,573	310,715	99,421	67,716	21,393
Amount.....	74,477,062	4,973,756	13,575,365	18,967,062	17,015,845	7,458,931	7,021,447	5,464,656
Interest income:								
Number of returns.....	2,170,088	587,848	552,540	508,905	315,612	104,693	75,261	25,429
Amount.....	6,643,906	1,004,002	1,180,965	1,218,190	962,955	472,322	666,384	1,139,088
Dividends:								
Number of returns.....	647,087	135,023	122,900	144,201	119,914	54,206	49,931	20,912
Amount.....	2,285,395	184,760	221,665	293,386	300,739	201,436	375,325	708,083
Net capital gain (less loss):								
Number of returns.....	300,731	50,027	47,083	61,241	57,087	31,104	35,986	18,203
Amount.....	2,893,628	178,210	43,446	100,644	166,441	166,092	418,473	1,822,322
Taxable pensions and annuities:								
Number of returns.....	444,583	133,429	129,729	92,641	54,475	17,414	12,732	4,163
Amount.....	3,763,099	658,589	1,078,121	881,984	565,622	225,071	216,489	137,224
Unemployment compensation:								
Number of returns.....	274,883	76,226	86,921	70,731	31,932	6,163	2,563	347
Amount.....	865,782	202,946	292,850	237,815	102,461	19,837	8,508	1,366
Number of sole proprietorship returns.....	367,182	93,297	77,890	85,960	56,884	22,861	22,225	8,065
Number of farm returns (Schedule F).....	3,873	1,082	784	849	522	212	262	162
Total itemized deductions:								
Number of returns.....	976,512	62,517	147,881	291,866	272,038	101,691	75,102	25,417
Amount.....	15,147,421	744,612	1,503,537	3,189,541	3,782,546	1,895,418	2,098,258	1,933,509
Average (whole dollars).....	15,512	11,911	10,168	10,929	13,905	18,639	27,939	76,072
Taxable income:								
Number of returns.....	2,518,775	650,577	755,054	575,703	329,429	106,600	75,953	25,459
Amount.....	65,901,018	2,263,661	10,435,875	15,283,111	13,916,528	6,531,681	7,451,315	9,998,645
Total tax liability:								
Number of returns.....	2,550,066	677,185	758,621	576,456	329,632	106,665	76,014	25,493
Amount.....	13,806,361	410,259	1,690,703	2,715,501	2,719,042	1,464,443	1,944,703	2,861,709
Average (whole dollars).....	5,415	606	2,229	4,711	8,249	13,730	25,584	112,255
Earned income credit:								
Number of returns.....	169,378	110,203	59,175	--	--	--	--	--
Amount.....	91,220	75,950	15,270	--	--	--	--	--
Excess earned income credit: ^a								
Number of returns.....	99,837	90,331	9,506	--	--	--	--	--
Amount.....	55,796	53,551	2,245	--	--	--	--	--
Overpayment:								
Number of returns.....	2,026,811	694,820	592,926	419,681	216,315	61,229	34,441	7,399
Amount.....	2,344,859	369,420	492,850	600,577	451,126	170,097	156,968	103,820
Tax due at time of filing:								
Number of returns.....	683,393	205,087	152,644	139,311	100,835	39,348	33,405	12,763
Amount.....	1,310,280	75,661	116,635	162,641	179,220	115,729	217,743	442,651

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued
 [Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MICHIGAN								
Number of returns.....	4,168,074	1,681,129	950,757	842,314	458,711	134,132	76,065	24,966
Number with paid preparer's signature.....	2,009,520	653,197	464,419	472,915	264,376	79,372	53,156	22,085
Number of exemptions.....	8,863,303	2,272,665	2,086,810	2,308,530	1,437,925	429,726	246,478	81,169
Adjusted gross income (less deficit).....	124,821,091	10,354,983	20,727,678	33,006,866	27,600,324	11,389,165	9,891,372	11,850,702
Salaries and wages:								
Number of returns.....	3,526,886	1,286,711	804,251	783,630	435,404	126,361	68,566	21,983
Amount.....	98,854,779	7,834,900	15,965,871	28,251,910	23,920,698	9,513,765	7,128,028	6,239,607
Interest income:								
Number of returns.....	2,720,405	790,661	604,102	676,012	421,758	128,807	74,321	24,744
Amount.....	7,001,588	1,254,614	1,401,851	1,288,420	1,002,828	468,097	580,918	1,004,859
Dividends:								
Number of returns.....	950,272	204,405	181,664	229,442	189,177	73,465	51,552	20,567
Amount.....	2,744,188	292,938	358,920	415,522	388,332	219,662	326,235	742,579
Net capital gain (less loss):								
Number of returns.....	440,043	82,593	81,826	98,247	84,324	38,892	36,244	17,917
Amount.....	2,359,296	115,838	110,710	196,191	244,340	178,354	351,063	1,162,802
Taxable pensions and annuities:								
Number of returns.....	679,556	255,656	191,608	123,205	69,398	22,289	13,425	3,975
Amount.....	5,873,405	1,409,708	1,774,553	1,268,860	757,899	291,726	231,501	139,156
Unemployment compensation:								
Number of returns.....	469,455	100,129	128,973	162,580	65,064	10,653	1,897	159
Amount.....	1,018,916	205,541	330,375	332,544	124,098	21,153	4,672	532
Number of sole proprietorship returns.....	462,342	126,223	103,985	115,181	68,618	23,445	18,531	6,359
Number of farm returns (Schedule F).....	51,536	15,526	12,767	13,228	6,597	1,787	1,122	509
Total itemized deductions:								
Number of returns.....	1,366,034	74,158	202,623	468,420	392,253	128,873	74,841	24,866
Amount.....	16,284,353	707,525	1,565,672	4,118,750	4,506,292	2,041,287	1,776,506	1,568,322
Average (whole dollars).....	11,921	9,541	7,728	8,793	11,489	15,840	23,738	63,071
Taxable income:								
Number of returns.....	3,454,667	981,479	938,453	841,248	458,468	134,055	76,015	24,949
Amount.....	83,904,253	3,228,329	12,080,436	22,497,933	19,874,391	8,464,938	7,628,328	10,129,898
Total tax liability:								
Number of returns.....	3,491,761	1,017,121	939,751	841,313	458,514	134,071	76,032	24,959
Amount.....	16,974,133	562,098	1,943,937	3,845,264	3,837,554	1,882,395	1,982,147	2,920,738
Average (whole dollars).....	4,862	553	2,069	4,571	8,370	14,041	26,070	117,022
Earned income credit:								
Number of returns.....	330,746	231,279	99,467	--	--	--	--	--
Amount.....	184,316	158,493	25,823	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	213,830	199,274	14,556	--	--	--	--	--
Amount.....	122,686	119,313	3,373	--	--	--	--	--
Overpayment:								
Number of returns.....	3,068,430	1,281,756	725,951	643,416	302,976	75,000	32,151	7,180
Amount.....	2,978,176	611,727	584,383	857,652	536,412	172,796	125,567	89,639
Tax due at time of filing:								
Number of returns.....	854,625	245,288	192,019	175,335	140,576	52,394	35,917	13,096
Amount.....	1,472,312	87,284	146,900	207,656	236,132	144,187	224,617	425,535

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MINNESOTA								
Number of returns.....	2,024,807	788,801	509,729	414,279	205,406	54,557	39,111	12,924
Number with paid preparer's signature.....	1,015,759	316,495	259,278	244,942	121,057	33,651	28,877	11,459
Number of exemptions.....	4,326,901	1,001,225	1,115,375	1,200,896	661,235	176,783	129,079	42,308
Adjusted gross income (less deficit).....	60,095,076	4,584,759	11,141,275	16,158,867	12,280,892	4,643,363	5,153,247	6,132,674
Salaries and wages:								
Number of returns.....	1,708,651	603,130	433,821	381,804	193,168	50,305	35,058	11,365
Amount.....	46,283,009	3,816,285	8,540,449	13,409,844	10,359,126	3,650,297	3,623,010	2,883,999
Interest income:								
Number of returns.....	1,436,756	438,401	350,438	351,178	192,491	52,952	38,433	12,863
Amount.....	3,753,324	686,592	776,791	700,880	476,447	215,299	302,382	594,933
Dividends:								
Number of returns.....	480,502	104,578	99,934	118,987	87,486	31,760	27,152	10,605
Amount.....	1,258,814	128,948	159,679	183,223	156,701	92,785	155,731	381,747
Net capital gain (less loss):								
Number of returns.....	290,194	59,758	62,444	66,276	49,077	21,225	21,590	9,824
Amount.....	1,607,129	140,640	127,745	158,961	149,414	103,119	212,173	715,075
Taxable pensions and annuities:								
Number of returns.....	281,386	87,996	86,530	60,136	29,662	8,589	6,264	2,209
Amount.....	2,326,709	414,306	724,573	578,369	312,071	112,068	101,976	83,346
Unemployment compensation:								
Number of returns.....	131,998	32,281	45,740	38,409	12,715	1,864	864	125
Amount.....	313,494	63,046	114,459	96,451	31,576	5,054	2,496	411
Number of sole proprietorship returns.....	296,154	79,011	74,972	78,817	38,147	11,797	10,071	3,339
Number of farm returns (Schedule F).....	88,993	28,695	27,160	21,057	7,733	2,180	1,614	554
Total itemized deductions:								
Number of returns.....	724,829	43,287	130,718	261,069	185,307	52,981	38,581	12,886
Amount.....	9,402,835	395,534	1,064,580	2,519,511	2,358,834	951,038	1,060,349	1,052,990
Average (whole dollars).....	12,973	9,138	8,145	9,651	12,730	17,951	27,484	81,716
Taxable income:								
Number of returns.....	1,731,585	505,998	500,459	413,445	205,223	54,522	39,040	12,898
Amount.....	39,230,980	1,627,004	6,409,118	10,524,508	8,495,748	3,333,194	3,838,938	5,002,470
Total tax liability:								
Number of returns.....	1,762,260	534,911	502,089	413,459	205,280	54,533	39,072	12,916
Amount.....	7,980,521	301,422	1,065,721	1,808,756	1,627,502	749,929	999,373	1,427,817
Average (whole dollars).....	4,529	564	2,123	4,375	7,929	13,752	25,578	110,547
Earned income credit:								
Number of returns.....	131,470	85,420	46,050	--	--	--	--	--
Amount.....	71,507	59,696	11,811	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	74,470	67,360	7,110	--	--	--	--	--
Amount.....	41,483	39,842	1,642	--	--	--	--	--
Overpayment:								
Number of returns.....	1,309,724	536,410	341,489	273,156	115,811	24,602	14,826	3,430
Amount.....	1,034,401	223,067	231,220	278,344	161,006	51,332	54,248	35,183
Tax due at time of filing:								
Number of returns.....	592,451	175,097	149,426	128,990	82,997	27,263	21,115	7,563
Amount.....	1,082,348	64,615	137,095	201,314	177,693	101,953	154,230	245,448

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued
 (Money amounts are in thousands of dollars, except where indicated)

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MISSISSIPPI								
Number of returns.....	1,015,361	529,824	248,104	150,975	60,302	13,704	8,928	3,524
Number with paid preparer's signature.....	454,980	191,382	118,957	86,876	37,197	9,664	7,565	3,339
Number of exemptions.....	2,373,079	973,404	657,318	462,488	194,911	44,134	29,208	11,616
Adjusted gross income (less deficit).....	21,938,373	3,361,794	5,316,331	5,826,861	3,582,876	1,162,718	1,179,818	1,507,974
Salaries and wages:								
Number of returns.....	888,653	450,739	221,785	139,169	55,214	11,891	7,062	2,793
Amount.....	17,348,869	3,123,373	4,433,253	4,915,221	2,892,512	798,743	602,352	583,415
Interest income:								
Number of returns.....	426,324	130,810	113,116	104,900	52,462	12,928	8,628	3,480
Amount.....	1,246,513	234,197	268,387	247,962	178,472	79,868	104,607	133,020
Dividends:								
Number of returns.....	117,622	24,350	25,362	30,507	21,309	7,338	5,920	2,836
Amount.....	302,806	29,715	35,570	47,480	43,378	26,605	44,281	75,777
Net capital gain (less loss):								
Number of returns.....	64,477	12,773	13,127	15,291	11,293	4,810	4,651	2,532
Amount.....	507,752	33,707	29,688	43,001	47,081	37,548	72,357	244,369
Taxable pensions and annuities:								
Number of returns.....	119,152	37,390	35,944	27,177	13,054	3,243	1,784	560
Amount.....	1,039,561	194,146	305,843	275,315	162,364	52,093	32,219	17,581
Unemployment compensation:								
Number of returns.....	79,347	42,820	22,081	11,853	2,198	315	71	9
Amount.....	97,629	51,892	27,656	14,295	3,049	572	144	22
Number of sole proprietorship returns.....	119,351	44,847	31,227	23,965	11,215	3,501	3,195	1,401
Number of farm returns (Schedule F).....	29,323	8,628	7,683	7,316	3,585	937	789	385
Total itemized deductions:								
Number of returns.....	193,277	13,518	40,417	68,577	46,514	12,308	8,465	3,478
Amount.....	2,141,161	152,361	318,535	610,112	513,805	181,283	182,263	182,801
Average (whole dollars).....	11,079	11,271	7,882	8,897	11,047	14,729	21,532	52,560
Taxable income:								
Number of returns.....	723,059	242,432	243,491	150,740	60,264	13,692	8,917	3,523
Amount.....	13,100,041	747,564	2,743,464	3,868,359	2,609,226	888,328	939,920	1,303,179
Total tax liability :								
Number of returns.....	740,288	259,954	243,182	150,737	60,269	13,701	8,921	3,524
Amount.....	2,575,929	139,613	443,579	643,090	510,095	206,587	256,446	376,519
Average (whole dollars).....	3,480	538	1,825	4,267	8,464	15,079	28,747	106,845
Earned income credit:								
Number of returns.....	260,859	210,234	50,625	--	--	--	--	--
Amount.....	167,576	153,358	14,219	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	203,477	193,716	9,761	--	--	--	--	--
Amount.....	130,122	127,789	2,333	--	--	--	--	--
Overpayment:								
Number of returns.....	766,335	432,711	189,748	105,161	30,804	4,955	2,239	717
Amount.....	661,291	316,337	157,114	112,882	45,849	11,129	10,115	7,865
Tax due at time of filing:								
Number of returns.....	197,163	62,326	51,578	41,122	26,864	7,623	5,470	2,180
Amount.....	365,346	25,178	45,287	55,637	58,451	33,910	54,944	91,939

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MISSOURI								
Number of returns.....	2,287,618	979,399	581,546	428,967	199,018	52,395	33,957	12,336
Number with paid preparer's signature.....	1,238,010	455,774	328,924	263,652	121,020	32,639	24,993	11,008
Number of exemptions.....	5,011,731	1,469,956	1,371,596	1,226,192	625,614	167,034	110,558	40,781
Adjusted gross income (less deficit).....	62,059,021	5,996,634	12,610,478	16,650,382	11,904,445	4,449,684	4,462,381	5,985,016
Salaries and wages:								
Number of returns.....	1,908,733	758,055	491,770	389,971	183,069	46,888	28,721	10,259
Amount.....	47,237,472	4,966,986	9,783,436	13,838,228	9,835,868	3,378,742	2,824,553	2,609,660
Interest income:								
Number of returns.....	1,415,519	432,092	359,928	344,129	183,496	50,425	33,206	12,243
Amount.....	4,566,791	828,436	1,000,476	889,358	623,874	279,969	354,648	590,030
Dividends:								
Number of returns.....	478,423	98,867	102,173	122,656	88,891	31,501	24,097	10,238
Amount.....	1,569,807	137,653	187,872	224,465	210,768	130,531	216,084	462,434
Net capital gain (less loss):								
Number of returns.....	262,275	55,749	57,629	60,294	43,207	18,215	17,948	9,233
Amount.....	1,487,074	90,735	94,559	129,061	139,443	96,902	192,487	743,887
Taxable pensions and annuities:								
Number of returns.....	362,677	117,606	110,434	75,420	38,569	11,272	7,163	2,213
Amount.....	2,879,470	566,673	890,741	699,491	406,224	144,208	114,140	57,992
Unemployment compensation:								
Number of returns.....	183,244	68,779	56,896	43,400	12,134	1,530	457	48
Amount.....	278,196	103,280	90,495	63,350	17,753	2,332	870	116
Number of sole proprietorship returns.....	300,218	95,700	78,547	69,352	33,534	10,516	9,123	3,446
Number of farm returns (Schedule F).....	98,433	33,468	28,672	22,825	8,764	2,228	1,690	786
Total itemized deductions:								
Number of returns.....	581,108	35,984	99,984	200,884	152,743	46,978	32,359	12,176
Amount.....	6,850,013	386,277	786,605	1,798,651	1,724,689	717,271	722,065	714,456
Average (whole dollars).....	11,788	10,735	7,868	8,954	11,292	15,269	22,315	58,678
Taxable income:								
Number of returns.....	1,857,826	558,934	572,997	428,396	198,908	52,349	33,923	12,319
Amount.....	41,006,357	1,820,989	7,080,831	11,311,585	8,698,580	3,378,336	3,520,824	5,195,212
Total tax liability:								
Number of returns.....	1,896,468	596,676	573,778	428,458	198,928	52,364	33,937	12,327
Amount.....	8,312,671	335,034	1,156,921	1,924,206	1,701,695	770,551	936,132	1,488,132
Average (whole dollars).....	4,384	562	2,017	4,492	8,555	14,716	27,585	120,722
Earned income credit:								
Number of returns.....	258,600	183,704	74,896	--	--	--	--	--
Amount.....	150,789	130,887	19,902	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	170,242	158,809	11,433	--	--	--	--	--
Amount.....	101,692	99,033	2,659	--	--	--	--	--
Overpayment:								
Number of returns.....	1,610,462	726,170	423,840	305,696	115,653	24,382	11,721	3,000
Amount.....	1,438,646	399,085	341,609	370,741	187,358	55,830	48,586	35,437
Tax due at time of filing:								
Number of returns.....	532,498	165,022	134,673	108,151	74,828	24,445	18,197	7,182
Amount.....	994,845	59,786	113,700	150,898	154,240	87,639	140,111	288,471

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MONTANA								
Number of returns.....	355,448	170,389	90,402	62,221	22,862	4,825	3,572	1,177
Number with paid preparer's signature.....	194,442	77,686	52,852	40,143	15,744	3,804	3,103	1,110
Number of exemptions.....	803,596	270,030	235,521	192,781	74,086	15,648	11,701	3,829
Adjusted gross income (less deficit).....	8,043,455	899,907	1,964,890	2,402,427	1,350,492	410,261	475,419	540,059
Salaries and wages:								
Number of returns.....	279,850	125,661	73,375	54,272	19,506	3,668	2,525	843
Amount.....	5,533,803	789,611	1,403,088	1,832,175	948,687	216,312	189,812	154,117
Interest income:								
Number of returns.....	237,561	88,803	64,547	53,355	21,506	4,669	3,512	1,169
Amount.....	703,055	142,799	162,333	145,287	95,499	40,269	50,674	66,193
Dividends:								
Number of returns.....	85,931	25,078	21,749	21,035	11,344	3,105	2,630	990
Amount.....	216,268	32,490	40,787	41,567	33,619	15,243	23,348	29,214
Net capital gain (less loss):								
Number of returns.....	60,560	17,871	15,312	13,742	7,733	2,544	2,416	942
Amount.....	345,856	39,867	38,885	50,706	46,721	30,917	50,974	87,785
Taxable pensions and annuities:								
Number of returns.....	54,107	19,660	17,127	10,936	4,487	1,034	669	194
Amount.....	477,407	100,990	156,705	122,948	60,400	17,664	13,612	5,090
Unemployment compensation:								
Number of returns.....	24,901	8,862	9,319	5,537	1,054	81	43	5
Amount.....	39,772	12,778	16,022	9,053	1,825	190	87	17
Number of sole proprietorship returns.....	60,929	21,905	17,458	13,354	5,160	1,443	1,235	374
Number of farm returns (Schedule F).....	22,443	8,633	6,220	4,541	1,857	549	464	179
Total itemized deductions:								
Number of returns.....	96,492	11,824	23,561	34,426	18,013	4,200	3,327	1,141
Amount.....	996,043	88,858	178,050	304,044	204,307	65,627	74,371	80,785
Average (whole dollars).....	10,323	7,516	7,557	8,832	11,343	15,626	22,354	70,802
Taxable income:								
Number of returns.....	274,167	91,219	88,410	62,135	22,839	4,821	3,569	1,174
Amount.....	5,006,407	279,320	1,029,905	1,574,615	975,974	311,533	377,872	457,189
Total tax liability:								
Number of returns.....	284,450	101,288	88,662	62,090	22,843	4,820	3,572	1,175
Amount.....	1,012,733	56,652	175,973	270,979	196,216	75,421	104,187	133,305
Average (whole dollars).....	3,561	560	1,985	4,365	8,590	15,648	29,168	113,452
Earned income credit:								
Number of returns.....	41,943	30,066	11,877	--	--	--	--	--
Amount.....	24,024	20,893	3,132	--	--	--	--	--
Excess earned income credit:²								
Number of returns.....	27,105	24,944	2,161	--	--	--	--	--
Amount.....	15,509	14,997	512	--	--	--	--	--
Overpayment:								
Number of returns.....	223,241	115,290	57,278	37,966	10,250	1,422	770	265
Amount.....	168,414	57,335	43,481	41,130	15,936	3,861	3,720	2,951
Tax due at time of filing:								
Number of returns.....	101,261	34,171	28,534	21,638	11,170	2,865	2,240	643
Amount.....	174,123	13,561	29,623	38,660	33,988	16,891	23,199	18,202

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NEBRASKA								
Number of returns.....	732,497	319,054	191,101	138,960	57,062	13,729	9,133	3,458
Number with paid preparer's signature.....	395,230	149,282	107,305	83,734	35,093	9,298	7,345	3,173
Number of exemptions.....	1,626,480	445,465	475,097	429,629	187,996	45,746	30,917	11,630
Adjusted gross income (less deficit).....	18,906,025	1,822,751	4,151,753	5,369,833	3,394,063	1,167,340	1,199,422	1,800,861
Salaries and wages:								
Number of returns.....	604,527	247,404	160,308	123,991	50,825	11,760	7,367	2,872
Amount.....	13,627,369	1,580,463	3,115,253	4,227,303	2,579,357	770,254	647,442	707,299
Interest income:								
Number of returns.....	498,010	170,051	130,276	117,874	54,010	13,353	9,005	3,441
Amount.....	1,513,149	290,859	350,694	314,693	204,552	84,992	100,784	166,595
Dividends:								
Number of returns.....	158,976	37,045	36,903	41,626	26,155	8,101	6,315	2,831
Amount.....	387,866	42,811	57,661	65,459	56,072	30,448	47,630	87,784
Net capital gain (less loss):								
Number of returns.....	103,690	24,185	25,413	24,909	15,535	5,735	5,257	2,656
Amount.....	616,573	47,099	59,582	77,485	66,748	42,244	73,615	249,798
Taxable pensions and annuities:								
Number of returns.....	93,847	29,068	28,549	20,977	10,142	2,810	1,679	622
Amount.....	718,333	119,226	207,557	187,049	115,263	39,845	27,341	22,052
Unemployment compensation:								
Number of returns.....	26,616	10,348	9,220	5,671	1,187	143	43	4
Amount.....	33,116	12,754	11,752	6,837	1,484	196	83	10
Number of sole proprietorship returns.....	102,858	30,339	29,287	26,090	10,412	3,171	2,560	999
Number of farm returns (Schedule F).....	60,592	20,955	18,183	13,216	5,155	1,484	1,175	424
Total itemized deductions:								
Number of returns.....	178,873	13,464	33,765	64,471	43,424	11,931	8,429	3,389
Amount.....	2,084,815	117,811	290,863	568,163	494,177	186,856	191,777	235,168
Average (whole dollars).....	11,656	8,751	8,615	8,813	11,381	15,662	22,753	69,392
Taxable income:								
Number of returns.....	604,527	194,694	187,681	138,817	57,030	13,723	9,127	3,455
Amount.....	12,294,509	615,249	2,278,536	3,571,196	2,457,868	882,400	945,277	1,543,982
Total tax liability:								
Number of returns.....	618,500	208,539	187,883	138,727	57,040	13,724	9,129	3,458
Amount.....	2,513,174	117,043	385,710	617,379	491,397	206,556	254,030	441,059
Average (whole dollars).....	4,064	562	2,053	4,451	8,615	15,051	27,827	127,548
Earned income credit:								
Number of returns.....	67,543	45,031	22,512	--	--	--	--	--
Amount.....	37,827	31,973	5,854	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	40,932	37,162	3,770	--	--	--	--	--
Amount.....	23,742	22,857	885	--	--	--	--	--
Overpayment:								
Number of returns.....	474,611	220,993	127,411	88,688	28,927	5,237	2,579	776
Amount.....	367,122	105,380	94,695	92,702	43,025	11,899	10,438	8,983
Tax due at time of filing:								
Number of returns.....	208,797	67,531	55,266	45,093	25,624	7,566	5,573	2,144
Amount.....	489,568	26,670	64,124	96,424	87,549	46,411	64,801	-103,590

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NEVADA								
Number of returns.....	618,087	241,342	172,081	117,547	56,005	15,437	10,378	5,297
Number with paid preparer's signature.....	290,841	89,490	77,836	64,923	34,655	10,747	8,329	4,861
Number of exemptions.....	1,296,162	359,668	363,982	311,870	167,800	46,301	30,811	15,730
Adjusted gross income (less deficit).....	19,428,661	1,511,113	3,706,199	4,569,809	3,355,932	1,311,913	1,373,476	3,600,218
Salaries and wages:								
Number of returns.....	533,749	197,097	152,523	107,460	51,248	13,501	8,035	3,885
Amount.....	13,815,450	1,483,182	3,053,436	3,802,584	2,713,620	940,806	743,779	1,078,044
Interest income:								
Number of returns.....	320,784	79,772	83,815	80,403	47,358	14,287	9,952	5,197
Amount.....	1,339,846	149,143	182,661	191,135	154,086	85,283	132,040	445,498
Dividends:								
Number of returns.....	99,699	18,901	21,461	24,252	18,142	7,162	5,928	3,853
Amount.....	437,647	33,368	43,744	51,906	46,010	29,330	51,274	182,015
Net capital gain (less loss):								
Number of returns.....	67,432	11,742	13,238	15,146	11,916	5,609	5,798	3,983
Amount.....	1,162,451	38,299	21,030	42,755	66,631	62,068	147,982	783,685
Taxable pensions and annuities:								
Number of returns.....	89,808	22,371	26,442	21,374	12,558	3,751	2,420	892
Amount.....	972,257	126,101	253,847	257,781	175,189	64,465	52,736	42,138
Unemployment compensation:								
Number of returns.....	39,703	12,193	12,851	10,145	3,749	568	180	17
Amount.....	71,135	21,246	24,853	17,330	6,142	1,040	438	85
Number of sole proprietorship returns.....	73,501	20,560	17,065	17,577	10,003	3,532	3,077	1,687
Number of farm returns (Schedule F).....	3,408	814	682	787	510	210	246	159
Total itemized deductions:								
Number of returns.....	171,463	14,069	35,262	55,340	40,364	12,710	8,891	4,827
Amount.....	2,283,462	146,590	307,331	559,274	509,110	208,274	209,904	342,979
Average (whole dollars).....	13,318	10,420	8,716	10,107	12,613	16,387	23,609	71,055
Taxable income:								
Number of returns.....	514,990	142,029	168,838	117,180	55,904	15,412	10,351	5,276
Amount.....	13,558,805	544,334	2,139,528	3,102,411	2,441,297	999,334	1,098,297	3,233,604
Total tax liability:								
Number of returns.....	521,706	148,515	168,942	117,248	55,929	15,423	10,363	5,286
Amount.....	2,899,242	94,595	341,962	535,618	481,163	230,244	296,963	918,696
Average (whole dollars).....	5,558	637	2,025	4,569	8,604	14,929	28,657	173,798
Earned income credit:								
Number of returns.....	62,514	42,197	20,317	--	--	--	--	--
Amount.....	36,443	30,887	5,556	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	41,179	37,345	3,834	--	--	--	--	--
Amount.....	24,897	23,986	911	--	--	--	--	--
Overpayment:								
Number of returns.....	425,024	183,012	125,021	78,131	28,702	6,080	2,959	1,119
Amount.....	404,333	106,636	96,746	93,019	47,204	15,359	14,403	30,966
Tax due at time of filing:								
Number of returns.....	155,690	34,897	41,940	35,981	25,131	8,338	6,238	3,165
Amount.....	416,702	14,974	34,329	49,337	55,278	34,028	61,840	166,916

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NEW HAMPSHIRE								
Number of returns.....	539,812	192,931	139,288	112,759	62,515	17,912	11,200	3,207
Number with paid preparer's signature.....	214,067	59,873	53,248	52,205	29,549	9,050	7,382	2,760
Number of exemptions.....	1,127,129	241,961	282,695	307,122	192,913	56,551	35,751	10,136
Adjusted gross income (less deficit).....	16,972,222	1,052,664	3,043,183	4,412,389	3,757,150	1,522,909	1,457,173	1,726,754
Salaries and wages:								
Number of returns.....	462,675	148,579	122,476	104,341	58,586	16,431	9,651	2,611
Amount.....	13,285,770	990,608	2,466,681	3,741,670	3,212,020	1,223,411	985,248	666,131
Interest income:								
Number of returns.....	390,002	105,090	95,401	97,661	59,894	17,634	11,123	3,199
Amount.....	1,122,438	178,452	201,519	213,049	167,924	82,891	111,187	167,416
Dividends:								
Number of returns.....	116,913	24,165	22,682	27,973	23,062	9,204	7,301	2,526
Amount.....	425,369	35,014	45,762	60,602	59,215	39,159	66,737	118,879
Net capital gain (less loss):								
Number of returns.....	57,528	10,328	9,848	12,660	11,350	5,532	5,492	2,318
Amount.....	708,740	38,731	15,216	29,052	40,208	37,812	78,134	469,588
Taxable pensions and annuities:								
Number of returns.....	77,892	21,008	21,594	18,178	10,896	3,346	2,200	670
Amount.....	687,261	97,435	170,935	169,327	120,184	50,834	44,917	33,629
Unemployment compensation:								
Number of returns.....	41,581	11,215	13,408	11,749	4,297	667	224	21
Amount.....	84,396	21,592	26,300	24,229	9,881	1,650	674	70
Number of sole proprietorship returns.....	80,999	22,695	19,745	20,229	10,871	3,598	2,924	937
Number of farm returns (Schedule F).....	1,862	553	377	429	257	85	118	43
Total itemized deductions:								
Number of returns.....	178,674	13,202	29,203	57,558	48,904	16,177	10,528	3,102
Amount.....	2,480,186	156,992	277,891	626,774	666,461	288,459	261,228	202,382
Average (whole dollars).....	13,882	11,892	9,516	10,890	13,628	17,832	24,813	65,243
Taxable income:								
Number of returns.....	462,536	119,511	136,076	112,250	62,428	17,895	11,175	3,201
Amount.....	11,492,725	409,310	1,791,522	2,913,731	2,635,588	1,113,681	1,123,835	1,505,058
Total tax liability:								
Number of returns.....	471,433	127,159	137,142	112,390	62,448	17,901	11,186	3,207
Amount.....	2,354,325	76,247	294,937	502,530	508,216	249,237	294,346	428,812
Average (whole dollars).....	4,994	600	2,151	4,472	8,139	13,924	26,314	133,712
Earned income credit:								
Number of returns.....	34,400	21,978	12,422	--	--	--	--	--
Amount.....	18,700	15,466	3,234	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	19,226	17,372	1,854	--	--	--	--	--
Amount.....	10,683	10,270	413	--	--	--	--	--
Overpayment:								
Number of returns.....	390,221	139,636	108,914	84,803	41,501	9,791	4,757	819
Amount.....	441,707	78,607	98,306	122,321	81,587	26,661	21,892	12,332
Tax due at time of filing:								
Number of returns.....	115,380	33,165	25,297	24,063	18,709	7,060	5,293	1,793
Amount.....	233,212	13,224	22,612	31,451	34,455	21,089	36,618	73,764

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NEW JERSEY								
Number of returns.....	3,864,727	1,339,790	948,960	748,925	471,686	180,156	130,584	44,626
Number with paid preparer's signature.....	1,881,007	542,017	439,395	403,274	268,830	103,637	86,218	37,636
Number of exemptions.....	7,990,458	1,746,513	1,896,444	1,826,847	1,395,701	559,764	418,449	146,740
Adjusted gross income (less deficit).....	141,250,073	8,020,184	20,793,697	29,265,954	28,621,663	15,389,510	17,118,628	22,040,438
Salaries and wages:								
Number of returns.....	3,240,929	970,503	816,773	683,469	442,455	169,465	119,267	38,997
Amount.....	110,255,413	6,522,114	16,626,092	24,454,698	24,432,173	12,961,961	12,953,768	12,304,606
Interest income:								
Number of returns.....	2,711,881	699,513	612,811	619,620	436,199	172,782	126,894	44,062
Amount.....	9,256,342	1,303,232	1,520,743	1,618,216	1,333,904	691,504	922,952	1,865,792
Dividends:								
Number of returns.....	998,873	202,854	169,434	212,714	194,601	96,321	86,622	36,327
Amount.....	3,526,853	303,243	388,690	510,688	502,942	312,768	498,725	1,009,796
Net capital gain (less loss):								
Number of returns.....	428,762	69,619	62,748	83,206	80,884	46,936	54,972	30,397
Amount.....	3,562,104	101,520	37,410	103,909	181,906	186,345	491,119	2,459,895
Taxable pensions and annuities:								
Number of returns.....	597,418	162,032	159,807	126,655	85,926	32,572	23,273	7,153
Amount.....	5,238,072	766,172	1,287,384	1,220,840	911,478	398,443	376,149	277,606
Unemployment compensation:								
Number of returns.....	304,169	87,334	89,287	72,003	40,214	10,062	4,651	618
Amount.....	850,194	216,143	270,207	206,174	112,802	28,600	14,198	2,071
Number of sole proprietorship returns.....	406,860	93,113	78,711	90,095	71,007	32,518	30,078	11,338
Number of farm returns (Schedule F).....	7,817	1,556	1,356	1,709	1,434	661	636	465
Total itemized deductions:								
Number of returns.....	1,414,017	88,054	211,387	389,635	383,736	169,135	127,653	44,417
Amount.....	22,647,969	932,646	2,112,798	4,342,752	5,464,807	3,148,160	3,507,470	3,139,337
Average (whole dollars).....	16,017	10,592	9,995	11,146	14,242	18,614	27,477	70,679
Taxable income:								
Number of returns.....	3,320,251	824,685	925,198	744,752	470,748	179,934	130,393	44,541
Amount.....	97,430,174	2,748,950	12,384,475	19,812,619	19,992,415	11,082,275	12,781,744	18,627,696
Total tax liability :								
Number of returns.....	3,350,195	849,234	928,840	745,981	471,064	180,023	130,473	44,580
Amount.....	21,099,584	485,063	1,989,559	3,536,092	3,925,103	2,470,371	3,313,019	5,380,376
Average (whole dollars).....	6,299	572	2,142	4,741	8,333	13,723	25,393	120,691
Earned income credit:								
Number of returns.....	304,558	207,039	97,519	--	--	--	--	--
Amount.....	173,854	147,880	25,974	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	195,156	177,388	17,768	--	--	--	--	--
Amount.....	114,273	110,114	4,160	--	--	--	--	--
Overpayment:								
Number of returns.....	2,664,549	913,166	731,274	539,422	304,602	102,971	60,340	12,774
Amount.....	3,208,205	522,100	618,926	767,664	613,859	269,216	252,302	164,137
Tax due at time of filing:								
Number of returns.....	922,461	262,059	183,007	181,103	147,580	67,530	57,891	23,291
Amount.....	2,014,780	161,199	136,341	207,714	248,435	176,283	329,912	754,895

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NEW MEXICO								
Number of returns.....	660,692	320,548	164,244	105,285	46,778	13,079	8,451	2,307
Number with paid preparer's signature.....	292,206	123,607	75,147	53,442	24,557	7,354	6,013	2,086
Number of exemptions.....	1,534,400	571,841	425,166	315,508	148,017	40,532	26,137	7,199
Adjusted gross income (less deficit).....	15,454,470	1,868,772	3,535,916	4,068,377	2,797,435	1,112,831	1,098,066	973,072
Salaries and wages:								
Number of returns.....	557,587	260,056	141,745	93,967	41,786	11,417	6,883	1,733
Amount.....	11,797,825	1,732,946	2,827,494	3,290,928	2,185,290	792,495	629,619	339,053
Interest income:								
Number of returns.....	347,168	109,071	92,063	80,327	42,526	12,603	8,290	2,288
Amount.....	978,761	169,827	196,304	192,337	147,018	75,369	93,750	104,156
Dividends:								
Number of returns.....	106,814	23,692	22,911	26,224	19,118	7,370	5,683	1,816
Amount.....	333,173	36,216	45,167	56,145	49,364	29,567	43,281	73,432
Net capital gain (less loss):								
Number of returns.....	68,332	14,476	14,144	15,613	12,001	5,327	4,971	1,800
Amount.....	389,414	23,263	19,281	34,491	44,954	34,173	73,204	160,048
Taxable pensions and annuities:								
Number of returns.....	97,688	29,459	28,911	21,933	11,477	3,338	2,132	438
Amount.....	1,079,671	166,776	294,794	289,817	190,871	69,604	51,784	16,024
Unemployment compensation:								
Number of returns.....	32,130	16,020	10,106	4,667	1,096	153	81	7
Amount.....	56,341	27,259	18,702	7,850	1,997	331	183	19
Number of sole proprietorship returns.....	92,475	35,095	22,283	18,551	9,600	3,303	2,775	868
Number of farm returns (Schedule F).....	12,671	4,357	3,168	2,670	1,485	427	395	169
Total itemized deductions:								
Number of returns.....	150,799	12,528	31,033	49,890	35,405	11,682	8,004	2,257
Amount.....	1,814,193	112,443	263,523	472,245	432,059	191,203	191,241	151,480
Average (whole dollars).....	12,031	8,976	8,492	9,466	12,204	16,368	23,894	67,116
Taxable income:								
Number of returns.....	486,941	151,088	160,251	105,085	46,722	13,053	8,438	2,304
Amount.....	9,562,828	498,335	1,854,434	2,694,563	2,018,004	836,159	855,058	808,274
Total tax liability:								
Number of returns.....	501,856	165,824	160,400	105,084	46,736	13,062	8,446	2,304
Amount.....	1,892,788	93,827	299,385	454,955	393,972	191,008	226,550	233,090
Average (whole dollars).....	3,772	566	1,867	4,330	8,430	14,624	26,824	101,168
Earned income credit:								
Number of returns.....	118,089	89,696	28,393	--	--	--	--	--
Amount.....	71,402	63,701	7,702	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	86,366	80,081	6,285	--	--	--	--	--
Amount.....	53,250	51,694	1,556	--	--	--	--	--
Overpayment:								
Number of returns.....	474,476	248,159	121,619	71,314	24,673	5,467	2,734	510
Amount.....	390,356	145,053	93,584	77,679	44,883	12,472	11,206	5,479
Tax due at time of filing:								
Number of returns.....	144,005	43,628	37,353	30,269	19,967	6,696	4,747	1,345
Amount.....	248,821	16,319	29,898	39,323	42,718	25,097	41,200	54,265

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NEW YORK								
Number of returns.....	8,211,711	3,075,930	2,135,554	1,546,497	844,053	298,186	221,340	90,151
Number with paid preparer's signature.....	4,229,728	1,306,065	1,060,696	900,698	529,485	192,504	161,445	78,835
Number of exemptions.....	16,996,114	4,346,894	4,494,908	3,844,670	2,466,154	901,038	666,969	275,481
Adjusted gross income (less deficit).....	282,468,429	17,778,944	46,695,198	60,179,583	50,960,227	25,468,589	29,167,921	52,217,966
Salaries and wages:								
Number of returns.....	6,845,414	2,234,354	1,854,058	1,419,159	789,037	277,219	197,074	74,513
Amount.....	211,201,062	15,304,558	37,730,798	50,501,722	42,838,637	20,703,285	20,547,054	23,575,008
Interest income:								
Number of returns.....	5,668,001	1,566,563	1,398,882	1,308,801	797,641	290,002	216,760	89,352
Amount.....	21,667,189	3,125,495	3,378,751	3,405,229	2,722,833	1,406,844	2,012,184	5,615,853
Dividends:								
Number of returns.....	1,832,640	392,627	340,398	404,993	329,260	150,645	141,370	73,347
Amount.....	8,075,823	612,268	720,228	905,336	875,807	558,819	1,011,053	3,392,312
Net capital gain (less loss):								
Number of returns.....	894,059	156,992	148,032	181,965	159,656	85,044	98,632	63,738
Amount.....	9,687,099	451,959	123,867	262,905	390,033	363,374	956,293	7,138,668
Taxable pensions and annuities:								
Number of returns.....	1,232,450	375,933	343,825	250,304	151,649	54,636	41,016	15,087
Amount.....	11,086,562	1,839,546	2,878,707	2,524,366	1,764,799	763,432	740,769	574,943
Unemployment compensation:								
Number of returns.....	587,671	196,904	178,985	130,029	59,844	13,986	6,770	1,153
Amount.....	1,441,479	422,643	481,269	327,085	149,640	37,235	19,902	3,705
Number of sole proprietorship returns.....	912,164	265,369	189,772	188,559	128,500	57,940	57,530	24,494
Number of farm returns (Schedule F).....	30,430	10,200	7,894	6,618	3,305	989	797	627
Total itemized deductions:								
Number of returns.....	2,897,068	169,655	481,338	902,927	744,462	289,935	218,884	89,867
Amount.....	48,393,241	1,969,300	4,357,660	9,415,627	10,303,599	5,543,075	6,508,768	10,295,213
Average (whole dollars).....	16,705	11,608	9,054	10,428	13,841	19,119	29,737	114,561
Taxable income:								
Number of returns.....	6,898,191	1,821,698	2,087,598	1,538,469	842,157	297,628	220,767	89,874
Amount.....	190,043,253	6,097,339	27,145,024	40,400,521	35,316,172	18,126,434	21,383,294	41,574,469
Total tax liability :								
Number of returns.....	6,992,062	1,911,083	2,089,065	1,540,310	842,695	297,827	221,034	90,048
Amount.....	41,214,554	1,111,083	4,323,783	7,104,509	6,933,206	4,071,245	5,595,965	12,074,763
Average (whole dollars).....	5,895	582	2,070	4,613	8,228	13,670	25,318	134,093
Earned income credit:								
Number of returns.....	800,752	548,219	252,533	--	--	--	--	--
Amount.....	460,277	394,603	65,673	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	511,265	466,496	44,769	--	--	--	--	--
Amount.....	303,050	292,664	10,386	--	--	--	--	--
Overpayment:								
Number of returns.....	5,678,670	2,092,840	1,637,221	1,125,551	541,015	164,114	94,698	23,231
Amount.....	6,365,299	1,218,838	1,353,720	1,539,727	1,070,431	423,670	408,772	350,141
Tax due at time of filing:								
Number of returns.....	1,901,204	599,982	418,474	361,866	263,739	113,994	99,417	43,732
Amount.....	3,725,968	220,216	318,785	431,141	473,830	319,676	603,045	1,359,276

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NORTH CAROLINA								
Number of returns.....	3,041,823	1,334,816	800,974	536,570	244,328	66,545	43,946	14,644
Number with paid preparer's signature.....	1,511,978	558,221	408,175	314,774	143,872	40,740	32,837	13,359
Number of exemptions.....	6,472,983	2,012,941	1,823,537	1,496,684	746,181	207,098	139,120	47,422
Adjusted gross income (less deficit).....	79,877,704	9,102,826	17,161,012	20,797,967	14,622,551	5,659,566	5,780,667	6,753,114
Salaries and wages:								
Number of returns.....	2,682,719	1,126,475	721,273	497,976	226,831	60,250	37,638	12,276
Amount.....	62,711,058	8,068,803	14,286,999	17,539,579	12,063,964	4,312,104	3,665,152	2,774,458
Interest income:								
Number of returns.....	1,635,794	448,546	429,065	411,924	224,030	64,399	43,254	14,576
Amount.....	4,301,910	706,065	807,568	800,917	625,122	306,265	419,164	636,808
Dividends:								
Number of returns.....	507,652	95,771	101,382	127,423	101,606	38,673	30,728	12,069
Amount.....	1,569,677	128,908	175,168	239,298	239,527	150,588	242,006	394,182
Net capital gain (less loss):								
Number of returns.....	262,596	45,173	49,150	60,081	50,816	23,268	23,180	10,928
Amount.....	2,081,410	107,981	87,060	148,792	187,416	144,759	312,454	1,092,947
Taxable pensions and annuities:								
Number of returns.....	423,162	112,007	124,687	103,805	55,526	14,752	9,495	2,890
Amount.....	3,622,476	518,834	988,107	988,034	649,921	222,982	173,430	81,167
Unemployment compensation:								
Number of returns.....	250,976	95,158	87,861	55,979	10,434	1,119	377	48
Amount.....	276,501	95,642	97,249	65,062	15,224	2,346	858	121
Number of sole proprietorship returns.....	371,657	114,491	98,461	86,153	42,862	14,120	11,725	3,845
Number of farm returns (Schedule F).....	53,129	16,370	14,068	12,501	6,374	1,817	1,348	651
Total itemized deductions:								
Number of returns.....	845,719	55,517	163,523	293,030	211,594	64,211	43,286	14,558
Amount.....	10,541,390	563,368	1,312,111	2,736,366	2,628,996	1,114,903	1,125,063	1,060,583
Average (whole dollars).....	12,465	10,148	8,025	9,339	12,425	17,364	25,992	72,853
Taxable income:								
Number of returns.....	2,463,666	768,788	790,214	535,623	244,085	66,465	43,873	14,618
Amount.....	50,505,051	2,670,364	9,523,017	13,848,354	10,344,226	4,128,064	4,386,856	5,604,170
Total tax liability:								
Number of returns.....	2,503,558	808,075	790,516	535,783	244,144	66,494	43,913	14,633
Amount.....	10,006,089	472,619	1,535,604	2,313,311	1,991,664	930,587	1,154,372	1,607,931
Average (whole dollars).....	3,997	585	1,943	4,318	8,158	13,996	26,288	109,884
Earned income credit:								
Number of returns.....	449,941	327,748	122,193	--	--	--	--	--
Amount.....	273,935	239,937	33,998	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	305,499	287,681	17,818	--	--	--	--	--
Amount.....	186,754	182,656	4,099	--	--	--	--	--
Overpayment:								
Number of returns.....	2,266,686	1,076,455	622,859	383,484	135,481	29,356	15,473	3,578
Amount.....	1,980,134	677,198	491,337	422,707	210,174	67,824	64,997	45,897
Tax due at time of filing:								
Number of returns.....	634,611	172,681	158,553	138,259	99,576	33,040	23,877	8,625
Amount.....	1,202,441	75,286	134,147	178,270	191,583	112,039	180,642	330,474

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
NORTH DAKOTA								
Number of returns.....	281,005	128,363	73,872	51,618	18,936	4,116	3,112	988
Number with paid preparer's signature.....	162,270	64,577	44,476	33,519	12,931	3,166	2,682	919
Number of exemptions.....	638,296	187,865	193,627	165,025	64,178	13,701	10,485	3,415
Adjusted gross income (less deficit).....	6,583,709	717,301	1,602,414	1,996,100	1,117,623	349,832	410,833	389,607
Salaries and wages:								
Number of returns.....	220,259	95,175	58,380	44,190	16,098	3,216	2,380	820
Amount.....	4,507,321	597,409	1,092,086	1,465,550	781,760	192,096	203,979	174,442
Interest income:								
Number of returns.....	198,826	73,951	53,928	44,927	17,968	4,010	3,060	982
Amount.....	575,771	116,849	151,645	129,813	77,946	31,946	36,820	30,751
Dividends:								
Number of returns.....	54,169	14,075	13,457	13,782	7,722	2,306	2,070	757
Amount.....	103,187	15,470	19,527	20,615	16,045	8,316	11,888	11,325
Net capital gain (less loss):								
Number of returns.....	42,805	12,161	11,480	9,817	5,119	1,794	1,735	699
Amount.....	197,331	27,535	34,123	38,041	24,039	13,458	21,282	38,853
Taxable pensions and annuities:								
Number of returns.....	30,844	9,467	10,017	6,988	3,060	641	496	175
Amount.....	222,545	40,114	71,989	59,401	30,869	8,932	7,860	3,381
Unemployment compensation:								
Number of returns.....	15,815	4,686	6,335	4,001	702	60	25	6
Amount.....	26,204	6,407	11,059	7,213	1,351	115	49	10
Number of sole proprietorship returns.....	38,084	12,139	11,175	9,262	3,507	929	805	267
Number of farm returns (Schedule F).....	36,602	13,879	10,793	7,682	2,724	771	616	137
Total itemized deductions:								
Number of returns.....	54,380	5,527	10,989	19,433	11,946	2,958	2,585	942
Amount.....	632,803	45,347	165,162	164,827	125,116	40,475	51,311	40,564
Average (whole dollars).....	11,637	8,205	15,030	8,482	10,474	13,684	19,850	43,062
Taxable income:								
Number of returns.....	228,319	77,097	72,525	51,563	18,926	4,113	3,108	987
Amount.....	4,222,550	238,151	860,099	1,338,919	829,385	276,918	336,796	342,281
Total tax liability :								
Number of returns.....	236,556	85,344	72,574	51,499	18,926	4,114	3,111	988
Amount.....	866,295	48,754	151,481	236,821	170,419	67,553	92,662	98,605
Average (whole dollars).....	3,663	572	2,088	4,599	9,005	16,421	29,786	99,803
Earned income credit:								
Number of returns.....	26,523	17,857	8,666	--	--	--	--	--
Amount.....	14,530	12,283	2,247	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	15,164	13,746	1,418	--	--	--	--	--
Amount.....	8,435	8,106	329	--	--	--	--	--
Overpayment:								
Number of returns.....	168,534	84,813	44,258	29,567	7,829	1,096	720	251
Amount.....	119,694	39,857	32,327	29,306	10,828	2,421	2,786	2,170
Tax due at time of filing:								
Number of returns.....	93,809	31,307	26,447	20,303	10,282	2,725	2,112	633
Amount.....	212,364	13,695	35,052	49,652	39,680	20,490	28,348	25,447

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

(Money amounts are in thousands of dollars, except where indicated)

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
OHIO								
Number of returns.....	5,086,743	2,068,626	1,375,556	1,025,826	418,453	101,449	69,639	27,194
Number with paid preparer's signature.....	2,229,759	723,166	639,920	528,487	210,587	55,140	48,538	23,921
Number of exemptions.....	10,573,237	2,852,716	2,954,007	2,801,333	1,322,110	325,140	227,975	89,956
Adjusted gross income (less deficit).....	138,957,551	13,487,981	29,949,423	39,825,470	24,864,277	8,628,416	9,175,749	13,026,234
Salaries and wages:								
Number of returns.....	4,318,400	1,604,608	1,195,253	953,100	390,281	91,518	60,212	23,428
Amount.....	108,135,783	10,350,723	24,057,952	34,118,309	20,910,327	6,574,813	5,985,472	6,138,187
Interest income:								
Number of returns.....	3,210,752	960,659	851,696	821,849	383,573	97,693	68,301	26,981
Amount.....	8,314,908	1,554,465	1,854,433	1,684,500	1,088,105	480,506	583,056	1,069,844
Dividends:								
Number of returns.....	1,066,865	230,321	234,314	285,289	181,281	61,392	50,830	23,438
Amount.....	3,158,953	294,132	403,707	497,237	442,817	259,960	410,062	851,037
Net capital gain (less loss):								
Number of returns.....	455,258	83,675	93,008	111,184	78,857	34,231	34,719	19,584
Amount.....	2,646,391	111,068	115,999	213,661	254,735	190,055	376,727	1,384,146
Taxable pensions and annuities:								
Number of returns.....	830,923	298,039	256,089	164,486	74,089	20,200	13,336	4,684
Amount.....	6,764,278	1,548,683	2,167,625	1,547,689	818,375	291,800	233,885	156,221
Unemployment compensation:								
Number of returns.....	344,023	95,454	111,045	104,168	29,335	3,059	851	111
Amount.....	649,917	172,116	235,201	187,562	47,260	5,391	2,051	336
Number of sole proprietorship returns.....	563,937	158,613	144,498	142,870	68,750	22,003	19,393	7,810
Number of farm returns (Schedule F).....	76,990	22,382	21,939	20,386	8,114	1,897	1,462	810
Total itemized deductions:								
Number of returns.....	1,394,048	70,506	288,530	518,231	328,636	93,494	67,637	27,014
Amount.....	15,894,371	764,369	1,882,983	4,376,076	3,758,675	1,515,173	1,649,382	1,947,714
Average (whole dollars).....	11,402	10,842	6,527	8,445	11,438	16,207	24,386	72,101
Taxable income:								
Number of returns.....	4,259,997	1,258,209	1,360,909	1,024,588	418,192	101,369	69,567	27,163
Amount.....	92,010,361	4,272,286	17,883,277	27,405,673	18,005,635	6,447,825	7,079,686	10,915,979
Total tax liability:								
Number of returns.....	4,302,275	1,298,776	1,362,376	1,024,694	418,250	101,396	69,600	27,183
Amount.....	18,372,731	742,095	2,891,386	4,740,349	3,515,012	1,475,589	1,881,549	3,126,749
Average (whole dollars).....	4,271	572	2,123	4,627	8,405	14,553	27,034	115,026
Earned income credit:								
Number of returns.....	442,844	305,109	137,735	--	--	--	--	--
Amount.....	250,293	214,380	35,914	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	282,639	264,106	18,533	--	--	--	--	--
Amount.....	165,658	161,435	4,223	--	--	--	--	--
Overpayment:								
Number of returns.....	3,670,374	1,545,774	1,035,326	747,185	258,194	49,523	26,672	7,700
Amount.....	3,262,221	775,030	808,778	922,775	432,353	118,058	111,208	94,020
Tax due at time of filing:								
Number of returns.....	1,111,266	334,599	294,184	247,256	142,880	44,213	34,019	14,115
Amount.....	1,717,530	112,189	209,149	285,692	260,325	147,320	235,374	467,481

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
OKLAHOMA								
Number of returns.....	1,316,283	589,012	344,683	233,431	100,648	25,224	16,870	6,415
Number with paid preparer's signature.....	709,410	271,168	193,903	145,196	63,723	16,612	13,005	5,803
Number of exemptions.....	3,020,685	985,379	879,521	687,936	314,891	78,892	53,674	20,392
Adjusted gross income (less deficit).....	33,009,862	3,131,634	7,469,271	9,023,124	6,007,051	2,142,227	2,217,504	3,019,051
Salaries and wages:								
Number of returns.....	1,081,968	453,776	290,409	208,030	89,751	21,614	13,363	5,025
Amount.....	24,854,610	3,070,650	5,839,184	7,323,310	4,724,140	1,506,422	1,250,547	1,140,357
Interest income:								
Number of returns.....	712,155	213,708	187,806	174,140	89,845	23,940	16,375	6,341
Amount.....	2,324,368	411,360	471,367	441,424	324,899	150,914	199,570	324,835
Dividends:								
Number of returns.....	203,750	41,098	43,313	52,868	37,510	13,217	10,808	4,936
Amount.....	604,199	54,055	66,538	84,087	81,559	46,568	73,668	197,723
Net capital gain (less loss):								
Number of returns.....	127,697	28,626	27,313	28,960	20,878	8,676	8,673	4,571
Amount.....	681,390	46,447	38,960	52,761	62,385	41,713	82,301	356,823
Taxable pensions and annuities:								
Number of returns.....	204,113	59,028	62,520	47,425	24,015	6,251	3,718	1,156
Amount.....	2,026,313	335,108	608,820	539,140	325,249	102,108	75,374	40,514
Unemployment compensation:								
Number of returns.....	64,413	23,111	21,935	14,659	4,036	522	133	17
Amount.....	107,569	37,606	36,292	24,957	7,391	987	300	35
Number of sole proprietorship returns.....	216,358	76,801	55,550	45,611	21,628	7,039	6,571	3,158
Number of farm returns (Schedule F).....	65,625	21,961	17,800	15,500	6,827	1,689	1,279	569
Total itemized deductions:								
Number of returns.....	352,765	28,503	73,342	123,484	81,741	23,195	16,154	6,346
Amount.....	4,017,480	252,086	608,556	1,091,166	933,916	356,219	368,763	406,774
Average (whole dollars).....	11,389	8,845	8,298	8,837	11,426	15,358	22,828	64,100
Taxable income:								
Number of returns.....	1,019,853	299,367	338,417	233,052	100,564	25,203	16,843	6,407
Amount.....	21,274,844	974,800	3,978,203	6,021,764	4,357,711	1,623,456	1,744,598	2,574,312
Total tax liability :								
Number of returns.....	1,055,137	334,035	338,960	233,088	100,573	25,211	16,856	6,414
Amount.....	4,313,607	196,936	655,231	1,018,811	855,365	374,108	468,326	744,831
Average (whole dollars).....	4,089	590	1,934	4,371	8,505	14,840	27,784	116,126
Earned income credit:								
Number of returns.....	187,640	135,730	51,910	--	--	--	--	--
Amount.....	110,755	96,932	13,823	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	126,390	117,097	9,293	--	--	--	--	--
Amount.....	76,182	74,002	2,180	--	--	--	--	--
Overpayment:								
Number of returns.....	906,093	430,455	247,945	158,233	52,847	10,007	5,122	1,484
Amount.....	757,016	247,975	193,769	174,662	78,836	21,924	21,578	18,272
Tax due at time of filing:								
Number of returns.....	320,498	98,218	84,984	67,318	43,227	13,295	9,721	3,735
Amount.....	611,720	41,834	77,372	97,961	99,812	55,100	85,886	153,756

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

(Money amounts are in thousands of dollars, except where indicated)

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
OREGON								
Number of returns.....	1,305,875	545,588	341,276	249,606	111,115	29,403	21,560	7,327
Number with paid preparer's signature.....	596,315	191,298	158,138	136,513	66,635	19,898	17,191	6,642
Number of exemptions.....	2,885,746	840,819	801,900	715,200	344,378	91,479	68,735	23,235
Adjusted gross income (less deficit).....	35,873,810	3,350,849	7,435,533	9,676,389	6,634,052	2,502,546	2,856,550	3,417,892
Salaries and wages:								
Number of returns.....	1,066,365	413,530	283,382	222,318	99,132	25,042	17,191	5,770
Amount.....	25,588,168	2,729,841	5,616,735	7,733,789	5,116,451	1,673,622	1,536,110	1,181,620
Interest income:								
Number of returns.....	838,007	255,642	216,922	204,650	103,785	28,535	21,189	7,284
Amount.....	2,511,147	475,587	533,375	485,608	343,324	161,059	216,024	296,170
Dividends:								
Number of returns.....	269,188	63,560	59,699	65,180	44,591	16,228	14,156	5,774
Amount.....	800,134	95,790	122,314	134,413	113,153	61,890	94,794	177,780
Net capital gain (less loss):								
Number of returns.....	194,405	42,104	42,854	45,466	32,179	13,198	12,949	5,655
Amount.....	1,509,545	85,962	83,024	146,363	180,141	135,351	271,030	607,673
Taxable pensions and annuities:								
Number of returns.....	206,849	70,843	63,522	41,716	20,143	5,664	3,810	1,151
Amount.....	1,901,870	355,548	581,811	488,778	281,796	92,095	68,038	33,804
Unemployment compensation:								
Number of returns.....	115,928	37,418	41,854	27,906	7,241	1,037	430	42
Amount.....	217,202	61,561	83,811	53,333	14,711	2,484	1,156	146
Number of sole proprietorship returns.....	198,369	58,163	52,187	48,697	23,127	7,586	6,571	2,038
Number of farm returns (Schedule F).....	32,274	8,390	7,668	8,240	4,689	1,418	1,297	572
Total itemized deductions:								
Number of returns.....	457,298	44,504	96,115	160,017	99,896	28,387	21,109	7,270
Amount.....	5,577,356	360,000	810,541	1,527,839	1,286,222	506,910	557,184	528,660
Average (whole dollars).....	12,197	8,090	8,434	9,548	12,876	17,858	26,396	72,719
Taxable income:								
Number of returns.....	1,059,901	307,248	334,332	249,086	111,007	29,371	21,537	7,320
Amount.....	22,864,733	1,021,273	4,103,659	6,298,862	4,614,132	1,813,882	2,166,893	2,846,032
Total tax liability:								
Number of returns.....	1,081,560	327,735	335,422	249,100	111,040	29,384	21,553	7,326
Amount.....	4,667,478	190,583	678,215	1,079,388	903,192	420,682	579,822	815,596
Average (whole dollars).....	4,316	582	2,022	4,334	8,134	14,317	26,903	111,329
Earned income credit:								
Number of returns.....	124,271	86,482	37,789	--	--	--	--	--
Amount.....	71,963	62,143	9,820	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	80,331	73,686	6,645	--	--	--	--	--
Amount.....	48,437	46,852	1,585	--	--	--	--	--
Overpayment:								
Number of returns.....	832,754	377,133	224,829	156,527	55,566	10,891	6,295	1,513
Amount.....	646,846	177,468	153,795	160,842	83,295	26,163	26,944	18,340
Tax due at time of filing:								
Number of returns.....	372,723	103,859	101,760	83,477	50,240	16,268	12,653	4,466
Amount.....	738,287	39,587	85,220	117,585	121,575	74,554	123,459	176,306

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
PENNSYLVANIA								
Number of returns.....	5,531,879	2,238,756	1,441,210	1,084,381	500,747	135,792	95,042	35,951
Number with paid preparer's signature.....	2,284,268	771,308	585,246	510,345	248,497	73,095	64,605	31,172
Number of exemptions.....	11,680,573	3,156,392	3,140,182	2,990,003	1,542,434	427,514	306,496	117,552
Adjusted gross income (less deficit).....	159,134,366	13,910,458	31,348,885	42,109,027	29,937,446	11,554,159	12,543,478	17,730,913
Salaries and wages:								
Number of returns.....	4,556,175	1,633,837	1,228,529	995,748	464,280	122,506	81,323	29,952
Amount.....	120,278,076	10,462,214	24,436,658	35,393,770	25,002,758	8,911,569	8,132,707	7,938,399
Interest income:								
Number of returns.....	3,797,807	1,181,235	969,663	915,461	470,717	131,661	93,341	35,729
Amount.....	10,425,997	2,029,482	2,208,580	1,969,745	1,336,775	604,589	795,643	1,481,183
Dividends:								
Number of returns.....	1,271,027	305,122	267,142	303,691	215,931	80,578	68,206	30,357
Amount.....	4,354,663	431,524	555,589	660,652	579,797	345,906	549,683	1,231,512
Net capital gain (less loss):								
Number of returns.....	519,557	103,772	99,434	114,783	88,964	41,531	45,645	25,428
Amount.....	3,670,448	145,405	123,153	233,552	300,938	238,840	535,101	2,093,459
Taxable pensions and annuities:								
Number of returns.....	996,003	377,707	285,260	187,362	92,613	27,313	19,080	6,668
Amount.....	7,999,521	1,864,587	2,382,366	1,738,344	1,016,002	384,884	349,058	264,281
Unemployment compensation:								
Number of returns.....	490,376	148,639	168,199	128,561	37,426	5,250	2,017	284
Amount.....	1,111,186	287,444	413,243	296,692	90,857	15,236	6,462	1,252
Number of sole proprietorship returns.....	606,492	169,266	145,505	144,449	79,281	29,061	27,631	11,299
Number of farm returns (Schedule F).....	42,911	14,828	11,930	9,332	3,972	1,197	1,041	611
Total itemized deductions:								
Number of returns.....	1,420,100	76,547	233,143	488,188	375,289	121,414	90,108	35,411
Amount.....	17,507,458	771,268	1,872,248	4,465,414	4,385,204	1,954,726	2,050,293	2,008,306
Average (whole dollars).....	12,329	10,076	8,031	9,147	11,685	16,100	22,754	56,715
Taxable income:								
Number of returns.....	4,626,485	1,354,635	1,422,672	1,082,338	500,332	135,658	94,936	35,914
Amount.....	107,713,557	4,525,700	18,435,840	28,810,733	21,836,204	8,713,359	9,876,493	15,515,229
Total tax liability :								
Number of returns.....	4,678,448	1,403,814	1,425,021	1,082,594	500,413	135,688	94,984	35,934
Amount.....	22,074,888	796,439	2,984,631	4,934,454	4,286,836	1,993,242	2,634,097	4,445,189
Average (whole dollars).....	4,719	568	2,095	4,558	8,567	14,690	27,733	123,705
Earned income credit:								
Number of returns.....	449,544	301,417	148,127	--	--	--	--	--
Amount.....	251,284	212,556	38,728	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	273,904	253,736	20,168	--	--	--	--	--
Amount.....	158,845	154,226	4,619	--	--	--	--	--
Overpayment:								
Number of returns.....	3,923,953	1,606,954	1,103,769	802,154	300,885	65,800	35,086	9,305
Amount.....	3,616,651	829,061	881,463	978,906	499,726	157,738	149,883	119,873
Tax due at time of filing:								
Number of returns.....	1,212,812	375,211	284,898	245,347	178,428	60,584	48,502	19,842
Amount.....	2,211,010	130,017	210,328	287,051	311,428	189,935	341,732	740,519

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RHODE ISLAND								
Number of returns.....	468,677	181,452	124,785	92,884	45,681	12,528	8,266	3,081
Number with paid preparer's signature.....	212,456	64,442	55,064	50,498	26,204	7,443	6,010	2,795
Number of exemptions.....	950,891	237,225	253,417	247,405	137,864	39,015	26,119	9,846
Adjusted gross income (less deficit).....	13,833,487	1,180,100	2,704,525	3,616,619	2,736,849	1,063,819	1,088,005	1,443,571
Salaries and wages:								
Number of returns.....	398,248	140,096	108,834	85,579	42,664	11,426	7,025	2,624
Amount.....	10,478,979	951,314	2,148,153	3,008,769	2,266,420	818,371	666,953	619,000
Interest income:								
Number of returns.....	323,466	92,846	84,571	79,376	43,261	12,200	8,146	3,066
Amount.....	977,931	166,534	200,865	198,429	138,837	63,068	83,590	126,607
Dividends:								
Number of returns.....	101,149	22,529	21,618	24,712	17,750	6,579	5,495	2,466
Amount.....	312,917	26,090	34,898	46,593	44,015	26,698	46,382	88,240
Net capital gain (less loss):								
Number of returns.....	41,573	7,296	7,436	9,227	7,769	3,653	3,989	2,203
Amount.....	367,671	25,336	8,503	19,870	30,189	27,432	60,681	195,661
Taxable pensions and annuities:								
Number of returns.....	72,915	21,701	21,641	16,137	8,774	2,499	1,623	540
Amount.....	631,534	98,700	174,302	162,173	108,525	40,634	30,633	16,566
Unemployment compensation:								
Number of returns.....	57,254	17,715	18,209	15,127	5,034	772	350	47
Amount.....	154,345	42,864	52,779	41,454	13,730	2,242	1,098	179
Number of sole proprietorship returns.....	53,716	14,425	12,325	13,133	7,736	2,727	2,472	898
Number of farm returns (Schedule F).....	507	120	105	117	86	24	32	23
Total itemized deductions:								
Number of returns.....	141,923	8,748	23,576	48,580	37,881	11,952	8,116	3,070
Amount.....	1,998,772	129,286	215,013	505,894	495,731	209,534	218,550	224,764
Average (whole dollars).....	14,084	14,779	9,120	10,414	13,087	17,532	26,929	73,214
Taxable income:								
Number of returns.....	399,918	115,360	122,530	92,583	45,623	12,506	8,246	3,070
Amount.....	9,155,134	409,853	1,606,872	2,412,832	1,928,914	775,664	819,639	1,201,362
Total tax liability:								
Number of returns.....	404,842	119,699	123,008	92,650	45,638	12,516	8,253	3,078
Amount.....	1,850,874	71,603	258,897	413,786	372,241	174,226	216,905	343,215
Average (whole dollars).....	4,572	599	2,105	4,467	8,157	13,921	26,282	111,506
Earned income credit:								
Number of returns.....	36,839	25,156	11,683	--	--	--	--	--
Amount.....	20,727	17,648	3,079	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	23,148	21,501	1,647	--	--	--	--	--
Amount.....	13,199	12,832	367	--	--	--	--	--
Overpayment:								
Number of returns.....	341,239	134,066	97,535	69,547	29,309	6,657	3,246	879
Amount.....	349,342	73,205	81,540	94,610	55,350	17,566	15,616	11,457
Tax due at time of filing:								
Number of returns.....	100,154	31,014	23,440	20,469	14,581	5,054	4,002	1,594
Amount.....	193,998	11,373	18,465	24,930	26,960	16,920	31,445	63,905

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

(Money amounts are in thousands of dollars, except where indicated)

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SOUTH CAROLINA								
Number of returns.....	1,551,463	704,406	408,031	264,149	119,266	30,606	18,574	6,431
Number with paid preparer's signature.....	809,899	314,070	220,799	161,491	73,387	19,618	14,579	5,955
Number of exemptions.....	3,356,418	1,086,054	954,883	762,278	374,816	97,488	59,847	21,052
Adjusted gross income (less deficit).....	38,644,023	4,705,319	8,722,924	10,252,689	7,126,326	2,600,191	2,437,479	2,799,095
Salaries and wages:								
Number of returns.....	1,377,700	605,469	368,392	244,875	110,623	27,550	15,571	5,220
Amount.....	30,703,084	4,239,314	7,354,116	8,677,203	5,869,086	1,954,737	1,457,700	1,150,929
Interest income:								
Number of returns.....	766,505	205,926	203,469	195,528	107,632	29,374	18,189	6,387
Amount.....	1,913,120	313,781	370,698	371,190	281,757	140,926	180,838	253,930
Dividends:								
Number of returns.....	222,367	41,113	44,571	56,953	45,554	16,765	12,271	5,140
Amount.....	679,242	58,000	78,918	106,305	107,229	63,898	101,163	163,728
Net capital gain (less loss):								
Number of returns.....	119,659	20,118	22,364	28,011	23,801	10,574	9,926	4,865
Amount.....	928,742	53,213	36,692	66,830	89,897	72,242	150,155	459,714
Taxable pensions and annuities:								
Number of returns.....	213,255	54,831	62,277	53,076	29,783	7,725	4,340	1,223
Amount.....	2,044,950	272,023	546,964	567,532	389,298	131,766	97,946	39,421
Unemployment compensation:								
Number of returns.....	105,990	46,233	33,403	20,925	4,676	556	176	21
Amount.....	124,644	54,587	37,694	24,718	6,205	1,026	366	49
Number of sole proprietorship returns.....	168,537	52,952	43,598	38,536	19,845	6,385	5,293	1,928
Number of farm returns (Schedule F).....	19,052	5,044	4,543	4,698	2,866	884	674	343
Total itemized deductions:								
Number of returns.....	414,977	25,098	84,932	147,235	103,687	29,407	18,231	6,387
Amount.....	5,003,767	233,588	665,810	1,389,704	1,285,577	508,850	477,869	442,369
Average (whole dollars).....	12,058	9,308	7,840	9,439	12,399	17,304	26,212	69,261
Taxable income:								
Number of returns.....	1,218,935	378,837	401,872	263,591	119,124	30,567	18,528	6,416
Amount.....	23,922,843	1,302,351	4,778,439	6,761,082	5,017,905	1,895,678	1,845,568	2,321,820
Total tax liability :								
Number of returns.....	1,235,776	395,616	401,727	263,731	119,155	30,582	18,543	6,422
Amount.....	4,650,359	227,250	762,698	1,121,719	957,948	426,555	486,118	668,071
Average (whole dollars).....	3,764	575	1,899	4,254	8,040	13,948	26,216	104,029
Earned income credit:								
Number of returns.....	259,237	192,308	66,929	--	--	--	--	--
Amount.....	159,796	141,276	18,520	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	184,612	173,519	11,093	--	--	--	--	--
Amount.....	115,442	112,871	2,571	--	--	--	--	--
Overpayment:								
Number of returns.....	1,186,890	582,391	323,523	192,485	67,661	13,299	6,071	1,460
Amount.....	1,028,010	371,212	261,577	215,510	103,938	31,047	26,772	17,953
Tax due at time of filing:								
Number of returns.....	294,325	79,325	74,076	64,165	47,066	15,449	10,356	3,888
Amount.....	549,231	31,366	58,793	78,127	88,130	53,553	83,857	155,404

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SOUTH DAKOTA								
Number of returns.....	311,932	148,282	83,034	54,400	17,688	4,039	3,203	1,286
Number with paid preparer's signature.....	164,905	67,099	46,142	32,847	11,649	3,173	2,788	1,207
Number of exemptions.....	705,752	223,119	219,736	175,276	59,176	13,373	10,792	4,280
Adjusted gross income (less deficit).....	7,145,541	826,803	1,796,809	2,086,338	1,044,894	344,787	425,497	620,414
Salaries and wages:								
Number of returns.....	249,133	112,775	67,965	47,099	14,899	3,057	2,327	1,011
Amount.....	4,781,983	709,695	1,282,420	1,542,222	694,564	169,594	177,777	205,710
Interest income:								
Number of returns.....	206,469	79,075	56,830	45,641	16,573	3,921	3,150	1,279
Amount.....	614,166	130,813	154,424	131,294	76,053	33,245	41,105	47,232
Dividends:								
Number of returns.....	61,328	17,252	15,745	15,204	7,792	2,286	2,060	989
Amount.....	141,343	20,498	24,379	24,537	18,588	8,969	13,508	30,865
Net capital gain (less loss):								
Number of returns.....	54,529	15,678	14,920	12,593	6,203	2,126	2,013	996
Amount.....	334,476	35,748	50,729	60,786	41,931	22,709	30,107	92,465
Taxable pensions and annuities:								
Number of returns.....	38,072	12,826	12,465	8,359	3,082	666	484	190
Amount.....	274,067	53,410	90,302	74,976	34,177	9,669	7,251	4,283
Unemployment compensation:								
Number of returns.....	9,083	3,441	3,497	1,828	276	26	15	412
Amount.....	12,344	4,507	4,799	2,512	459	42	25	186
Number of sole proprietorship returns.....	45,615	14,884	14,094	10,490	3,637	1,111	987	412
Number of farm returns (Schedule F).....	37,985	14,512	11,326	7,821	2,734	779	627	186
Total itemized deductions:								
Number of returns.....	46,150	4,758	10,192	16,359	9,308	2,419	2,103	1,011
Amount.....	475,103	43,340	81,461	139,322	101,100	31,556	37,588	40,736
Average (whole dollars).....	10,295	9,109	7,993	8,517	10,862	13,046	17,874	40,293
Taxable income:								
Number of returns.....	247,450	85,430	81,460	54,351	17,683	4,039	3,202	1,285
Amount.....	4,628,977	265,333	961,157	1,402,932	788,895	278,999	361,434	570,227
Total tax liability:								
Number of returns.....	256,086	94,046	81,537	54,295	17,681	4,039	3,202	1,286
Amount.....	970,513	53,266	167,214	247,586	166,090	70,135	102,267	163,955
Average (whole dollars).....	3,790	567	2,051	4,561	9,394	17,365	31,939	127,493
Earned income credit:								
Number of returns.....	34,116	23,487	10,629	--	--	--	--	--
Amount.....	19,238	16,460	2,778	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	20,885	18,989	1,896	--	--	--	--	--
Amount.....	11,882	11,444	438	--	--	--	--	--
Overpayment:								
Number of returns.....	192,518	101,113	51,955	31,106	6,595	965	583	201
Amount.....	134,094	49,626	37,465	29,598	9,230	2,288	2,739	3,148
Tax due at time of filing:								
Number of returns.....	97,162	32,088	27,644	21,349	10,220	2,741	2,245	875
Amount.....	250,979	13,573	35,080	53,163	44,204	23,370	34,626	46,963

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TENNESSEE								
Number of returns.....	2,170,008	977,235	567,183	377,704	163,685	42,715	29,857	11,629
Number with paid preparer's signature.....	959,139	366,608	254,766	193,183	87,255	24,780	22,035	10,512
Number of exemptions.....	4,724,196	1,544,220	1,340,665	1,067,103	504,896	133,843	95,918	37,551
Adjusted gross income (less deficit).....	55,567,466	5,932,040	12,230,673	14,608,960	9,777,060	3,631,009	3,936,700	5,451,024
Salaries and wages:								
Number of returns.....	1,885,972	802,278	507,535	351,032	152,058	38,352	25,104	9,613
Amount.....	44,281,490	5,482,853	10,214,335	12,554,289	8,202,764	2,754,778	2,457,885	2,614,585
Interest income:								
Number of returns.....	1,125,978	327,443	292,703	278,663	145,912	40,609	29,105	11,543
Amount.....	3,374,189	595,271	668,905	622,595	451,986	217,422	292,897	525,113
Dividends:								
Number of returns.....	297,484	59,564	59,119	73,857	55,794	21,277	18,757	9,116
Amount.....	892,000	76,121	93,438	117,146	115,983	72,455	134,004	282,854
Net capital gain (less loss):								
Number of returns.....	167,134	31,707	32,831	37,150	28,980	13,416	14,618	8,432
Amount.....	1,360,246	94,727	59,340	89,688	107,110	82,103	188,315	738,964
Taxable pensions and annuities:								
Number of returns.....	286,256	90,794	85,709	62,077	31,159	8,741	5,812	1,964
Amount.....	2,384,493	446,042	683,275	593,339	368,667	131,682	104,744	56,744
Unemployment compensation:								
Number of returns.....	196,722	83,331	65,726	38,041	8,070	1,060	425	69
Amount.....	241,420	97,737	81,720	47,393	11,613	1,915	904	139
Number of sole proprietorship returns.....	281,510	97,386	71,120	59,428	29,992	10,004	9,554	4,026
Number of farm returns (Schedule F).....	75,479	23,466	21,615	18,348	7,900	1,908	1,448	794
Total itemized deductions:								
Number of returns.....	419,805	28,882	79,206	137,183	104,760	33,583	25,446	10,745
Amount.....	4,838,026	267,017	633,712	1,226,490	1,153,413	487,257	528,419	541,719
Average (whole dollars).....	11,525	9,246	8,001	8,941	11,011	14,510	20,767	50,416
Taxable income:								
Number of returns.....	1,707,502	522,715	559,884	377,193	163,580	42,686	29,825	11,619
Amount.....	36,732,759	1,742,615	6,785,554	10,029,469	7,307,065	2,832,644	3,200,881	4,834,531
Total tax liability :								
Number of returns.....	1,747,113	561,907	560,182	377,267	163,601	42,693	29,839	11,624
Amount.....	7,464,328	323,495	1,098,091	1,687,859	1,444,409	657,075	866,306	1,387,092
Average (whole dollars).....	4,273	576	1,961	4,474	8,829	15,391	29,033	119,331
Earned income credit:								
Number of returns.....	331,387	243,105	88,282	--	--	--	--	--
Amount.....	198,495	174,458	24,037	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	226,649	213,477	13,172	--	--	--	--	--
Amount.....	137,563	134,519	3,045	--	--	--	--	--
Overpayment:								
Number of returns.....	1,614,457	770,057	446,453	278,458	89,698	17,658	9,404	2,729
Amount.....	1,459,624	487,360	382,591	330,777	138,732	40,203	41,062	38,899
Tax due at time of filing:								
Number of returns.....	444,956	134,204	106,721	89,493	68,031	22,390	17,109	7,008
Amount.....	901,350	55,664	96,448	123,051	136,677	82,601	137,858	269,051

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
TEXAS								
Number of returns.....	7,406,799	3,342,395	1,791,711	1,238,082	640,776	201,368	140,757	51,710
Number with paid preparer's signature.....	3,048,772	1,177,237	733,784	571,715	317,925	107,841	95,067	45,203
Number of exemptions.....	17,050,718	5,772,237	4,488,464	3,540,605	2,002,878	633,339	446,210	166,985
Adjusted gross income (less deficit).....	204,734,176	16,434,074	38,746,637	48,104,309	38,575,191	17,156,952	18,466,628	27,250,385
Salaries and wages:								
Number of returns.....	6,347,982	2,720,500	1,574,196	1,126,148	587,083	181,247	118,691	40,117
Amount.....	158,894,751	18,543,660	31,969,219	40,355,876	32,000,528	13,389,779	12,113,156	10,522,533
Interest income:								
Number of returns.....	3,754,900	1,042,593	886,505	889,308	559,568	189,562	136,247	51,117
Amount.....	13,806,068	2,096,490	2,107,513	2,235,771	1,860,521	997,119	1,439,963	3,068,690
Dividends:								
Number of returns.....	1,095,740	196,094	192,914	258,297	222,435	99,638	86,968	39,394
Amount.....	4,012,564	306,006	340,064	469,759	482,634	319,392	556,038	1,538,671
Net capital gain (less loss):								
Number of returns.....	691,676	122,874	118,447	148,261	129,484	65,182	69,728	37,700
Amount.....	6,552,483	764,820	132,094	232,452	310,559	260,050	692,363	4,160,146
Taxable pensions and annuities:								
Number of returns.....	930,604	236,606	257,083	221,582	135,226	43,228	28,161	8,718
Amount.....	9,125,019	1,266,075	2,282,178	2,327,827	1,679,697	660,670	556,638	351,934
Unemployment compensation:								
Number of returns.....	347,889	148,216	106,864	63,404	22,778	4,503	1,932	192
Amount.....	689,600	257,138	227,468	136,429	52,564	10,674	4,757	569
Number of sole proprietorship returns.....	1,099,953	369,346	247,289	229,103	135,520	50,062	46,561	22,072
Number of farm returns (Schedule F).....	182,134	50,067	40,225	43,303	27,325	9,200	7,811	4,203
Total itemized deductions:								
Number of returns.....	1,528,651	104,461	241,173	448,770	408,726	158,301	120,001	47,219
Amount.....	20,466,318	1,679,081	2,078,927	4,243,475	4,679,897	2,366,581	2,596,056	2,822,302
Average (whole dollars).....	13,389	16,074	8,621	9,456	11,450	14,950	21,634	59,771
Taxable income:								
Number of returns.....	5,639,724	1,620,150	1,750,589	1,235,555	640,157	201,147	140,511	51,615
Amount.....	140,520,134	5,292,350	21,127,189	33,037,428	28,725,427	13,321,510	14,910,571	24,105,660
Total tax liability:								
Number of returns.....	5,790,016	1,768,588	1,751,580	1,236,020	640,307	201,219	140,627	51,675
Amount.....	29,993,143	1,024,187	3,440,715	5,692,866	5,717,555	3,063,520	3,987,390	7,066,911
Average (whole dollars).....	5,181	580	1,965	4,606	8,930	15,225	28,355	136,757
Earned income credit:								
Number of returns.....	1,217,591	922,430	295,161	--	--	--	--	--
Amount.....	748,399	667,967	80,432	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	886,748	821,683	65,065	--	--	--	--	--
Amount.....	554,167	538,000	16,166	--	--	--	--	--
Overpayment:								
Number of returns.....	5,280,437	2,589,027	1,365,080	850,795	334,596	84,028	45,260	11,651
Amount.....	4,835,042	1,648,244	1,137,219	999,693	523,583	184,978	174,214	167,110
Tax due at time of filing:								
Number of returns.....	1,669,082	458,160	371,548	345,389	278,768	104,833	80,715	29,669
Amount.....	3,909,383	198,018	349,878	491,460	582,739	374,246	625,681	1,287,362

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
UTAH								
Number of returns.....	682,128	288,416	168,035	140,959	59,400	13,059	9,080	3,179
Number with paid preparer's signature.....	306,183	101,099	79,907	74,501	33,031	8,032	6,822	2,791
Number of exemptions.....	1,727,937	402,015	472,774	520,664	231,330	50,748	37,274	13,132
Adjusted gross income (less deficit).....	18,258,669	1,581,307	3,685,444	5,472,001	3,528,531	1,107,048	1,200,172	1,684,165
Salaries and wages:								
Number of returns.....	587,801	234,195	144,906	130,925	55,461	11,806	7,841	2,667
Amount.....	14,290,326	1,496,126	2,936,346	4,675,633	2,942,232	827,353	756,757	655,879
Interest income:								
Number of returns.....	430,129	131,192	107,168	112,977	54,265	12,512	8,859	3,156
Amount.....	884,953	166,382	182,452	170,450	121,182	52,604	74,009	117,873
Dividends:								
Number of returns.....	112,349	24,457	24,345	29,853	19,782	6,259	5,301	2,352
Amount.....	309,324	31,367	39,275	46,658	41,990	21,756	36,135	92,142
Net capital gain (less loss):								
Number of returns.....	74,919	15,714	15,665	18,559	13,188	4,793	4,746	2,254
Amount.....	511,937	56,333	21,626	33,130	42,873	30,280	67,742	259,954
Taxable pensions and annuities:								
Number of returns.....	100,373	27,834	31,449	24,229	11,940	2,795	1,644	482
Amount.....	1,045,979	163,870	331,502	290,470	164,279	48,148	32,646	15,065
Unemployment compensation:								
Number of returns.....	32,792	10,155	11,763	8,510	2,065	214	76	9
Amount.....	55,058	15,367	21,274	14,288	3,494	380	169	87
Number of sole proprietorship returns.....	107,970	28,406	28,529	30,245	13,021	3,636	3,100	1,033
Number of farm returns (Schedule F).....	13,064	3,489	3,478	3,698	1,659	326	272	142
Total itemized deductions:								
Number of returns.....	241,388	15,954	50,514	97,010	53,353	12,498	8,911	3,148
Amount.....	2,990,149	136,766	449,567	964,969	708,635	231,014	243,918	255,281
Average (whole dollars).....	12,388	8,573	8,900	9,948	13,283	18,485	27,373	81,094
Taxable income:								
Number of returns.....	552,090	165,434	161,517	140,515	59,333	13,048	9,067	3,176
Amount.....	10,978,452	503,994	1,846,455	3,243,900	2,326,046	772,570	882,089	1,403,398
Total tax liability :								
Number of returns.....	561,647	173,120	163,296	140,583	59,348	13,050	9,072	3,178
Amount.....	2,208,890	91,142	301,365	537,612	434,360	172,086	229,414	442,911
Average (whole dollars).....	3,933	527	1,846	3,825	7,319	13,187	25,289	139,368
Earned income credit:								
Number of returns.....	69,968	46,855	23,113	--	--	--	--	--
Amount.....	39,584	33,596	5,987	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	45,165	39,922	5,243	--	--	--	--	--
Amount.....	26,464	25,224	1,241	--	--	--	--	--
Overpayment:								
Number of returns.....	465,330	213,236	115,983	94,962	32,409	5,148	2,901	691
Amount.....	344,640	96,434	80,340	91,220	44,729	11,851	11,317	8,748
Tax due at time of filing:								
Number of returns.....	180,499	50,276	47,351	42,913	25,287	7,238	5,405	2,029
Amount.....	304,499	16,994	36,254	49,979	47,850	25,954	44,663	82,807

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
VERMONT								
Number of returns.....	266,699	110,339	71,120	51,021	22,998	6,049	4,068	1,106
Number with paid preparer's signature.....	112,007	38,295	29,870	25,228	11,374	3,368	2,883	989
Number of exemptions.....	555,624	148,921	154,480	144,543	72,017	19,307	12,854	3,502
Adjusted gross income (less deficit).....	7,117,175	675,171	1,542,550	1,978,099	1,372,981	513,940	532,241	502,193
Salaries and wages:								
Number of returns.....	224,368	84,394	62,296	46,871	21,227	5,343	3,385	852
Amount.....	5,328,220	558,067	1,219,632	1,626,015	1,107,109	363,719	299,233	154,444
Interest income:								
Number of returns.....	184,950	58,897	48,917	44,037	22,034	5,926	4,037	1,102
Amount.....	496,586	94,583	103,915	98,867	70,336	34,619	43,602	50,664
Dividends:								
Number of returns.....	61,296	15,256	13,049	14,762	10,395	3,906	3,007	921
Amount.....	232,477	24,182	29,704	37,826	34,777	22,183	36,738	47,068
Net capital gain (less loss):								
Number of returns.....	32,811	7,272	6,813	7,435	5,585	2,528	2,349	829
Amount.....	234,953	14,159	17,569	26,557	29,541	21,746	44,771	80,611
Taxable pensions and annuities:								
Number of returns.....	34,814	11,345	10,287	7,405	3,642	1,088	807	240
Amount.....	278,181	50,207	78,416	68,370	41,478	16,531	16,016	7,163
Unemployment compensation:								
Number of returns.....	23,729	9,360	8,166	4,983	1,005	148	60	7
Amount.....	44,994	17,651	15,740	9,091	1,978	350	171	13
Number of sole proprietorship returns.....	45,471	14,363	12,091	10,784	4,924	1,600	1,329	380
Number of farm returns (Schedule F).....	4,430	1,716	1,148	879	404	133	114	36
Total itemized deductions:								
Number of returns.....	76,764	5,916	14,578	26,472	19,016	5,716	3,969	1,097
Amount.....	959,936	66,634	122,541	256,831	232,789	97,606	102,241	81,294
Average (whole dollars).....	12,506	11,264	8,406	9,702	12,242	17,076	25,760	74,106
Taxable income:								
Number of returns.....	222,077	67,248	69,845	50,822	22,961	6,038	4,059	1,104
Amount.....	4,608,316	235,234	886,809	1,313,485	976,436	377,035	405,069	414,248
Total tax liability:								
Number of returns.....	227,926	72,696	70,180	50,867	22,972	6,041	4,064	1,106
Amount.....	916,530	44,660	147,407	224,379	189,770	85,855	106,459	118,000
Average (whole dollars).....	4,022	615	2,101	4,412	8,261	14,213	26,196	106,691
Earned income credit:								
Number of returns.....	21,798	14,426	7,372	--	--	--	--	--
Amount.....	11,844	9,939	1,906	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	12,137	11,145	992	--	--	--	--	--
Amount.....	6,677	6,455	222	--	--	--	--	--
Overpayment:								
Number of returns.....	183,742	77,049	52,435	36,098	13,533	2,919	1,445	263
Amount.....	166,045	39,003	41,443	44,220	23,152	7,709	7,090	3,429
Tax due at time of filing:								
Number of returns.....	63,988	21,578	15,933	12,944	8,293	2,621	2,034	585
Amount.....	109,919	8,252	14,078	18,023	17,099	9,898	17,156	25,413

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

(Money amounts are in thousands of dollars, except where indicated)

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
VIRGINIA								
Number of returns.....	2,884,601	1,076,382	726,310	558,491	315,180	114,155	75,490	18,593
Number with paid preparer's signature.....	1,130,140	346,606	283,962	250,036	141,177	50,240	42,562	15,557
Number of exemptions.....	6,045,246	1,450,432	1,549,947	1,457,613	938,851	352,226	235,856	60,321
Adjusted gross income (less deficit).....	90,930,750	6,471,183	15,842,897	21,760,051	19,059,909	9,749,349	9,700,976	8,346,386
Salaries and wages:								
Number of returns.....	2,512,716	877,468	645,212	511,580	290,317	105,381	67,443	15,315
Amount.....	71,862,378	6,178,381	13,218,393	18,355,602	15,835,741	7,854,225	6,825,282	3,594,753
Interest income:								
Number of returns.....	1,724,418	414,871	396,399	427,002	284,716	109,232	73,783	18,415
Amount.....	4,943,942	678,146	777,957	889,103	783,855	434,852	565,302	814,726
Dividends:								
Number of returns.....	608,267	101,443	100,417	145,407	132,436	63,148	50,360	15,056
Amount.....	1,937,299	131,851	172,190	265,526	306,011	207,954	327,553	526,214
Net capital gain (less loss):								
Number of returns.....	289,945	41,570	43,130	61,590	60,822	34,296	35,072	13,465
Amount.....	2,512,163	168,605	63,898	124,013	182,860	177,374	414,740	1,380,672
Taxable pensions and annuities:								
Number of returns.....	430,398	97,231	110,764	101,800	69,772	27,438	19,787	3,606
Amount.....	5,388,970	523,020	1,060,871	1,323,314	1,211,293	604,953	528,615	136,904
Unemployment compensation:								
Number of returns.....	157,374	53,700	54,900	36,243	9,870	1,788	816	57
Amount.....	177,239	55,354	61,984	41,038	13,915	3,233	1,577	139
Number of sole proprietorship returns.....	329,806	82,566	73,647	77,360	51,718	21,714	17,822	4,979
Number of farm returns (Schedule F).....	40,613	11,514	9,851	9,586	5,301	1,847	1,678	836
Total itemized deductions:								
Number of returns.....	962,151	46,824	148,947	302,155	263,156	108,452	74,164	18,453
Amount.....	14,177,467	544,310	1,304,017	3,209,507	3,689,489	2,044,600	2,012,652	1,372,892
Average (whole dollars).....	14,736	11,625	8,755	10,623	14,021	18,853	27,138	74,400
Taxable income:								
Number of returns.....	2,449,285	656,103	713,864	556,621	314,743	114,029	75,385	18,540
Amount.....	60,264,032	2,269,342	9,145,723	14,481,163	13,280,173	6,985,372	7,228,465	6,873,795
Total tax liability:								
Number of returns.....	2,474,707	679,597	715,166	557,019	314,854	114,068	75,436	18,567
Amount.....	12,257,383	393,344	1,462,483	2,475,809	2,563,686	1,545,462	1,858,984	1,957,617
Average (whole dollars).....	4,954	579	2,045	4,445	8,143	13,549	24,644	105,436
Earned income credit:								
Number of returns.....	275,937	192,685	83,252	--	--	--	--	--
Amount.....	163,394	141,155	22,239	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	181,365	168,196	13,169	--	--	--	--	--
Amount.....	110,963	107,917	3,046	--	--	--	--	--
Overpayment:								
Number of returns.....	2,078,637	828,038	564,468	402,329	188,494	58,271	31,904	5,133
Amount.....	2,024,914	469,802	440,917	481,539	314,689	130,883	120,431	66,652
Tax due at time of filing:								
Number of returns.....	667,350	167,568	144,372	141,563	115,943	50,365	37,273	10,266
Amount.....	1,224,327	59,979	107,522	159,360	192,914	131,694	222,373	350,485

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
WASHINGTON								
Number of returns.....	2,302,696	855,022	588,121	480,574	247,247	69,474	46,539	15,719
Number with paid preparer's signature.....	920,743	252,757	222,572	225,600	130,338	41,218	34,309	13,949
Number of exemptions.....	4,960,283	1,192,482	1,279,193	1,321,034	759,075	213,326	145,708	49,465
Adjusted gross income (less deficit).....	71,409,016	4,890,061	12,846,937	18,741,815	14,837,875	5,907,313	6,112,112	8,072,903
Salaries and wages:								
Number of returns.....	1,934,788	671,283	494,586	432,107	225,098	61,235	38,177	12,302
Amount.....	52,706,399	4,549,320	9,999,461	15,371,200	11,982,134	4,308,108	3,586,093	2,910,084
Interest income:								
Number of returns.....	1,513,592	397,727	369,983	388,756	228,522	67,281	45,714	15,609
Amount.....	4,512,616	654,904	842,889	866,480	683,517	334,317	445,331	685,177
Dividends:								
Number of returns.....	492,374	96,092	99,413	121,636	94,763	37,495	30,664	12,311
Amount.....	1,586,362	140,017	196,629	246,357	223,102	129,810	193,431	457,016
Net capital gain (less loss):								
Number of returns.....	325,753	54,713	63,615	77,067	62,330	28,295	27,409	12,324
Amount.....	3,510,464	187,688	106,166	231,572	334,233	278,180	558,076	1,814,549
Taxable pensions and annuities:								
Number of returns.....	356,536	95,998	105,180	81,718	47,920	14,122	9,048	2,550
Amount.....	3,671,564	533,821	1,026,834	964,483	648,764	232,752	178,756	86,153
Unemployment compensation:								
Number of returns.....	177,273	54,921	58,549	45,144	15,286	2,367	922	84
Amount.....	355,704	94,687	126,535	93,040	32,947	5,795	2,437	264
Number of sole proprietorship returns.....	316,482	79,137	73,682	82,440	46,676	16,085	13,838	4,624
Number of farm returns (Schedule F).....	30,957	7,514	6,834	8,006	4,925	1,604	1,405	669
Total itemized deductions:								
Number of returns.....	653,636	43,357	108,828	218,370	173,115	55,979	39,817	14,170
Amount.....	7,849,787	474,289	911,094	2,040,861	2,015,172	848,305	853,882	706,184
Average (whole dollars).....	12,010	10,940	8,372	9,346	11,641	15,154	21,446	49,837
Taxable income:								
Number of returns.....	1,954,189	517,899	578,116	479,567	247,027	69,413	46,474	15,693
Amount.....	49,896,381	1,814,962	7,528,131	12,832,404	10,932,674	4,570,434	4,945,978	7,271,797
Total tax liability:								
Number of returns.....	1,976,616	538,749	579,475	479,679	247,078	69,431	46,498	15,706
Amount.....	10,408,034	325,362	1,228,245	2,230,378	2,170,711	1,056,544	1,327,991	2,068,803
Average (whole dollars).....	5,266	604	2,120	4,650	8,786	15,218	28,561	131,721
Earned income credit:								
Number of returns.....	181,984	125,097	56,887	--	--	--	--	--
Amount.....	102,276	87,556	14,721	--	--	--	--	--
Excess earned income credit: ²								
Number of returns.....	117,271	107,877	9,394	--	--	--	--	--
Amount.....	68,606	66,422	2,184	--	--	--	--	--
Overpayment:								
Number of returns.....	1,532,929	624,597	418,466	319,280	126,213	27,536	13,727	3,110
Amount.....	1,359,388	315,631	313,469	368,892	198,185	63,342	57,165	42,704
Tax due at time of filing:								
Number of returns.....	623,761	146,743	146,907	144,401	110,720	37,538	27,773	9,679
Amount.....	1,513,918	57,112	123,424	202,011	245,446	157,289	265,084	463,552

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

(Money amounts are in thousands of dollars, except where indicated)

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
WEST VIRGINIA								
Number of returns.....	697,090	316,841	175,981	130,471	54,283	10,478	6,756	2,480
Number with paid preparer's signature.....	290,134	112,315	74,967	61,573	27,935	6,086	4,992	2,266
Number of exemptions.....	1,595,214	529,319	445,637	384,698	172,074	32,967	22,002	8,517
Adjusted gross income (less deficit).....	17,083,423	2,092,080	3,810,189	5,077,318	3,211,151	887,987	889,054	1,115,645
Salaries and wages:								
Number of returns.....	578,957	240,957	149,833	121,058	50,553	9,231	5,362	1,963
Amount.....	13,101,442	1,551,777	2,963,441	4,345,926	2,704,990	642,983	472,415	419,909
Interest income:								
Number of returns.....	405,332	131,681	104,961	100,898	48,758	10,021	6,560	2,453
Amount.....	1,038,026	230,783	254,605	202,913	133,508	53,910	68,841	93,467
Dividends:								
Number of returns.....	121,122	26,889	25,933	33,090	22,143	6,173	4,824	2,070
Amount.....	343,556	35,118	48,060	60,766	53,434	29,276	49,637	67,266
Net capital gain (less loss):								
Number of returns.....	50,025	10,659	10,682	11,955	8,558	3,142	3,251	1,778
Amount.....	318,005	12,585	18,709	26,853	29,895	19,869	41,472	168,622
Taxable pensions and annuities:								
Number of returns.....	127,609	51,433	37,349	23,361	10,960	2,502	1,509	495
Amount.....	1,026,394	277,867	332,032	223,848	117,083	34,717	26,139	14,709
Unemployment compensation:								
Number of returns.....	60,796	21,315	21,594	14,458	3,136	210	79	4
Amount.....	105,113	31,593	41,145	25,967	5,758	430	207	14
Number of sole proprietorship returns.....	83,849	30,783	21,292	17,899	8,173	2,398	2,319	985
Number of farm returns (Schedule F).....	11,617	3,869	3,283	2,784	1,184	239	177	81
Total itemized deductions:								
Number of returns.....	105,983	5,340	15,995	36,406	30,972	8,551	6,296	2,423
Amount.....	1,166,038	46,305	126,152	307,203	313,129	114,937	126,468	131,845
Average (whole dollars).....	11,003	8,672	7,887	8,439	10,111	13,442	20,088	54,414
Taxable income:								
Number of returns.....	546,600	168,151	174,132	130,364	54,252	10,472	6,750	2,479
Amount.....	10,943,866	534,156	2,076,718	3,517,737	2,430,852	698,529	718,435	967,439
Total tax liability :								
Number of returns.....	560,039	181,475	174,244	130,356	54,258	10,474	6,752	2,480
Amount.....	2,130,541	98,295	335,429	582,600	475,037	162,708	196,308	280,164
Average (whole dollars).....	3,805	542	1,926	4,470	8,756	15,535	29,075	112,970
Earned income credit:								
Number of returns.....	92,549	66,469	26,080	--	--	--	--	--
Amount.....	53,895	46,943	6,952	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	61,891	58,065	3,826	--	--	--	--	--
Amount.....	37,386	36,521	866	--	--	--	--	--
Overpayment:								
Number of returns.....	517,973	241,620	135,692	100,637	33,043	4,508	1,944	529
Amount.....	450,403	138,748	112,526	123,511	51,505	9,966	7,686	6,460
Tax due at time of filing:								
Number of returns.....	138,140	47,867	34,740	26,219	19,125	5,057	3,732	1,400
Amount.....	207,605	16,209	25,937	30,654	32,926	17,541	30,334	54,004

See notes following Table 20.

Selected Historical and Other Data

Table 2.—Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990—Continued

(Money amounts are in thousands of dollars, except where indicated)

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
WISCONSIN								
Number of returns.....	2,258,467	922,241	560,668	470,082	213,671	48,601	31,610	11,594
Number with paid preparer's signature.....	1,086,462	365,934	277,956	260,964	119,059	29,049	23,210	10,290
Number of exemptions.....	4,835,390	1,224,032	1,241,837	1,379,307	689,017	157,967	105,001	38,229
Adjusted gross income (less deficit).....	63,048,274	5,835,350	12,235,879	18,341,014	12,706,544	4,122,184	4,160,733	5,646,570
Salaries and wages:								
Number of returns.....	1,919,349	713,600	483,923	438,410	201,236	44,295	27,715	10,170
Amount.....	48,558,444	4,516,696	9,544,555	15,559,343	10,677,714	3,118,059	2,713,751	2,428,325
Interest income:								
Number of returns.....	1,659,046	539,380	408,504	415,899	204,948	47,540	31,226	11,549
Amount.....	3,941,532	801,221	872,389	756,736	515,252	222,393	275,571	497,969
Dividends:								
Number of returns.....	519,096	125,895	111,318	131,165	89,990	28,593	22,430	9,705
Amount.....	1,398,830	155,425	200,302	225,340	200,750	114,927	169,973	332,113
Net capital gain (less loss):								
Number of returns.....	286,141	64,592	64,468	67,667	46,157	17,810	17,017	8,430
Amount.....	1,720,852	106,134	162,405	220,059	204,248	128,770	227,013	672,225
Taxable pensions and annuities:								
Number of returns.....	336,834	120,566	100,684	67,511	32,010	8,321	5,595	2,147
Amount.....	2,507,351	551,157	790,890	590,136	321,813	109,635	86,264	57,456
Unemployment compensation:								
Number of returns.....	213,196	52,756	72,851	65,885	19,371	1,840	438	55
Amount.....	351,131	82,694	129,862	105,092	29,430	3,030	912	111
Number of sole proprietorship returns.....	256,619	70,854	64,871	68,131	32,243	9,835	7,927	2,758
Number of farm returns (Schedule F).....	76,052	26,056	22,330	17,795	6,633	1,635	1,139	464
Total itemized deductions:								
Number of returns.....	712,329	42,125	118,525	274,840	187,652	46,661	31,002	11,524
Amount.....	8,380,650	539,885	907,784	2,451,902	2,195,454	765,192	755,413	765,021
Average (whole dollars).....	11,766	12,817	7,660	8,922	11,700	16,399	24,367	66,386
Taxable income:								
Number of returns.....	1,917,652	589,875	552,957	469,504	213,569	48,573	31,587	11,587
Amount.....	41,293,621	1,886,354	7,102,403	12,163,743	8,997,368	3,036,402	3,198,768	4,908,582
Total tax liability:								
Number of returns.....	1,942,009	613,282	553,986	469,360	213,605	48,583	31,600	11,593
Amount.....	8,178,912	331,116	1,157,465	2,047,934	1,719,263	685,358	838,495	1,399,280
Average (whole dollars).....	4,212	540	2,090	4,364	8,049	14,107	26,535	120,701
Earned income credit:								
Number of returns.....	162,259	109,479	52,780	--	--	--	--	--
Amount.....	91,088	77,350	13,738	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	98,551	91,164	7,387	--	--	--	--	--
Amount.....	57,065	55,358	1,706	--	--	--	--	--
Overpayment:								
Number of returns.....	1,547,269	656,261	401,965	332,189	121,465	21,216	11,265	2,908
Amount.....	1,245,507	293,696	292,457	359,343	177,419	45,205	42,978	34,409
Tax due at time of filing:								
Number of returns.....	572,626	176,942	137,154	124,700	84,963	24,542	17,341	6,984
Amount.....	985,965	54,462	109,227	162,134	163,354	87,293	131,532	277,963

See notes following Table 20.

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
WYOMING								
Number of returns.....	205,492	87,901	48,746	42,310	19,253	3,895	2,427	960
Number with paid preparer's signature.....	100,907	34,770	24,788	23,825	11,829	2,741	2,065	889
Number of exemptions.....	468,343	125,730	123,784	131,122	64,219	12,749	7,795	2,944
Adjusted gross income (less deficit).....	5,591,838	433,036	1,064,890	1,654,742	1,140,777	330,142	320,214	648,038
Salaries and wages:								
Number of returns.....	173,769	69,922	41,692	38,707	17,684	3,321	1,824	619
Amount.....	4,046,722	438,999	825,257	1,381,069	926,340	215,185	139,195	120,678
Interest income:								
Number of returns.....	130,410	41,806	30,559	33,499	17,451	3,745	2,393	957
Amount.....	406,011	62,964	70,607	69,712	50,917	22,832	34,221	94,758
Dividends:								
Number of returns.....	44,376	10,319	9,129	11,996	8,106	2,325	1,716	785
Amount.....	167,370	20,547	18,773	23,754	20,410	10,975	18,619	54,291
Net capital gain (less loss):								
Number of returns.....	27,641	6,481	5,948	6,733	4,478	1,676	1,535	790
Amount.....	273,976	16,167	11,690	17,477	20,440	15,206	28,321	164,674
Taxable pensions and annuities:								
Number of returns.....	28,712	8,266	8,255	6,939	3,715	856	488	193
Amount.....	260,229	42,744	73,379	69,160	42,645	12,972	9,462	9,868
Unemployment compensation:								
Number of returns.....	11,671	3,842	4,524	2,687	544	52	17	5
Amount.....	19,503	5,879	8,031	4,507	943	102	28	12
Number of sole proprietorship returns.....	33,020	9,950	8,517	8,515	3,812	1,062	815	349
Number of farm returns (Schedule F).....	8,703	3,191	2,132	1,869	821	279	274	137
Total itemized deductions:								
Number of returns.....	43,188	3,413	7,646	15,658	11,412	2,628	1,678	753
Amount.....	452,103	28,591	59,370	130,772	112,461	33,484	31,600	55,824
Average (whole dollars).....	10,469	8,378	7,765	8,352	9,855	12,742	18,832	74,136
Taxable income:								
Number of returns.....	165,350	48,726	47,852	42,259	19,243	3,892	2,420	958
Amount.....	3,836,745	149,512	580,848	1,126,991	858,589	264,986	270,024	585,795
Total tax liability :								
Number of returns.....	169,268	52,515	47,978	42,256	19,244	3,894	2,422	959
Amount.....	790,708	28,927	96,820	192,485	170,285	62,986	74,374	164,832
Average (whole dollars).....	4,672	551	2,019	4,556	8,849	16,176	30,708	171,880
Earned income credit:								
Number of returns.....	20,796	14,512	6,284	--	--	--	--	--
Amount.....	11,816	10,161	1,655	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	13,542	12,450	1,092	--	--	--	--	--
Amount.....	7,860	7,601	259	--	--	--	--	--
Overpayment:								
Number of returns.....	138,205	64,222	33,793	28,493	9,873	1,213	479	132
Amount.....	113,515	33,125	26,639	31,909	14,357	2,448	2,236	2,803
Tax due at time of filing:								
Number of returns.....	53,259	14,988	12,795	12,352	8,541	2,357	1,607	619
Amount.....	131,109	5,768	11,850	18,005	19,464	11,275	18,114	46,634

See notes following Table 20.

Selected Historical and Other Data

Table 2.--Individual Income and Tax Data by State and Size of Adjusted Gross Income, Tax Year 1990--Continued

[Money amounts are in thousands of dollars, except where indicated]

State and item	All returns	Size of adjusted gross income						
		Under \$15,000 ¹	\$15,000 under \$30,000	\$30,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
OTHER AREAS⁴								
Number of returns.....	1,075,627	661,795	224,746	101,286	42,610	17,182	18,936	9,072
Number with paid preparer's signature.....	326,805	177,234	58,047	35,680	21,270	11,128	15,429	8,017
Number of exemptions.....	2,123,090	989,037	584,644	288,886	124,207	51,255	57,462	27,599
Adjusted gross income (less deficit).....	21,863,698	2,032,524	4,681,075	3,856,960	2,573,319	1,472,732	2,573,767	4,673,321
Salaries and wages:								
Number of returns.....	779,799	408,611	199,973	91,732	38,752	15,730	17,152	7,849
Amount.....	26,236,679	6,572,131	4,970,950	4,125,237	2,805,383	1,648,198	2,881,509	3,233,271
Interest income:								
Number of returns.....	537,469	248,530	132,316	77,831	37,326	15,539	17,435	8,492
Amount.....	1,800,016	511,923	288,827	241,273	176,482	100,078	153,678	327,754
Dividends:								
Number of returns.....	185,283	69,355	35,048	31,826	20,052	9,669	12,405	6,928
Amount.....	767,215	95,201	72,222	79,489	75,298	49,266	93,665	302,073
Net capital gain (less loss):								
Number of returns.....	114,796	52,624	17,838	14,474	10,282	5,712	8,210	5,656
Amount.....	1,268,792	96,429	50,483	55,824	61,176	48,728	130,624	825,529
Taxable pensions and annuities:								
Number of returns.....	68,442	26,882	17,296	11,630	6,660	2,548	2,390	1,036
Amount.....	873,396	192,366	221,309	179,831	120,963	51,598	56,266	51,063
Unemployment compensation:								
Number of returns.....	9,797	4,532	3,189	1,319	454	154	117	32
Amount.....	25,214	11,699	7,859	3,454	1,205	424	382	191
Number of sole proprietorship returns.....	43,526	22,039	8,447	5,175	3,237	1,658	1,871	1,099
Number of farm returns (Schedule F).....	2,155	891	289	300	246	134	175	120
Total itemized deductions:								
Number of returns.....	192,664	75,556	33,030	29,194	20,991	11,373	14,867	7,653
Amount.....	2,237,448	306,255	296,018	298,973	373,190	240,787	325,309	396,915
Average (whole dollars).....	11,614	4,054	8,963	10,241	17,779	21,172	21,882	51,864
Taxable income:								
Number of returns.....	701,755	295,290	218,225	100,645	42,480	17,142	18,911	9,062
Amount.....	15,748,037	1,272,531	2,418,051	2,639,524	1,944,402	1,153,775	2,109,815	4,209,938
Total tax liability:								
Number of returns.....	755,300	366,280	208,328	94,790	41,377	16,835	18,704	8,986
Amount.....	2,741,826	332,343	351,725	402,752	342,298	209,838	356,728	746,142
Average (whole dollars).....	3,631	908	1,689	4,249	8,273	12,465	19,073	83,034
Earned income credit:								
Number of returns.....	32,780	17,749	15,031	--	--	--	--	--
Amount.....	16,524	12,147	4,377	--	--	--	--	--
Excess earned income credit: ³								
Number of returns.....	21,109	16,536	4,573	--	--	--	--	--
Amount.....	11,004	9,925	1,079	--	--	--	--	--
Overpayment:								
Number of returns.....	626,322	350,127	172,077	65,714	20,684	7,373	7,221	3,126
Amount.....	712,433	269,830	170,824	102,335	54,913	26,527	38,878	49,125
Tax due at time of filing:								
Number of returns.....	223,112	115,559	39,631	27,736	18,376	8,061	9,465	4,284
Amount.....	386,288	77,995	30,412	35,814	41,225	29,120	61,425	110,297

See notes following Table 20.

Selected Historical and Other Data

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Table 3.--Number of Individual Returns, Income, Tax and Average Tax by Size of Income, Tax Years 1987-1990

(All figures are estimates based on samples--money amounts are in thousands of dollars except as indicated)

Size of adjusted gross income	Number of returns ¹		Adjusted gross income (AGI) ¹		Taxable income ¹		Total income tax ²
	1987	1988	1987	1988	1987	1988	1987
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	106,996,270	109,708,280	2,773,824,198	3,083,019,783	1,850,597,119	2,069,966,980	369,202,757
Less than \$1,000 ^{3,4}	3,691,379	3,962,269	-38,160,729	-39,276,968	155,369	171,676	180,244
\$1,000 under \$3,000	7,433,802	7,456,433	14,894,572	14,705,001	1,360,813	1,044,277	183,643
\$3,000 under \$5,000	6,691,090	6,466,607	26,725,935	25,721,364	3,759,804	2,469,667	435,734
\$5,000 under \$7,000	6,422,132	6,217,629	38,413,878	37,397,442	8,264,832	6,409,823	998,787
\$7,000 under \$9,000	6,300,234	6,191,294	50,368,689	49,432,507	15,178,900	12,109,174	1,790,904
\$9,000 under \$11,000	5,928,842	5,849,931	59,187,847	58,404,122	21,801,837	18,399,630	2,581,645
\$11,000 under \$13,000	5,580,094	5,429,777	66,951,853	65,253,426	29,932,090	24,954,851	3,649,095
\$13,000 under \$15,000	5,292,576	5,428,329	73,989,299	75,824,890	36,864,357	33,820,451	4,701,766
\$15,000 under \$17,000	4,800,582	4,965,547	76,680,566	79,375,440	41,945,445	39,607,433	5,671,873
\$17,000 under \$19,000	4,487,621	4,652,964	80,697,963	83,613,482	46,210,802	44,192,736	6,288,383
\$19,000 under \$22,000	5,879,795	6,092,703	120,205,955	124,598,226	72,352,317	71,346,369	10,034,366
\$22,000 under \$25,000	5,297,494	5,327,778	124,251,696	125,008,547	78,121,158	76,183,987	11,357,271
\$25,000 under \$30,000	7,494,827	7,517,739	205,551,504	206,201,583	133,895,752	130,581,873	20,395,355
\$30,000 under \$40,000	11,604,644	11,956,600	402,500,618	415,310,640	270,913,902	274,610,362	42,809,754
\$40,000 under \$50,000	7,862,901	8,264,514	350,409,748	369,115,675	242,712,736	255,121,323	41,345,872
\$50,000 under \$75,000	8,110,447	8,904,085	484,023,071	532,715,520	347,978,968	383,088,855	69,872,423
\$75,000 under \$100,000	2,064,189	2,520,476	175,453,698	214,204,828	129,661,327	159,574,120	31,277,163
\$100,000 under \$200,000	1,513,654	1,778,258	200,973,127	236,074,161	153,927,488	183,252,229	43,415,426
\$200,000 under \$500,000	429,671	548,472	124,073,791	161,914,657	100,643,815	134,674,810	32,978,242
\$500,000 under \$1,000,000	75,352	114,808	50,898,244	77,893,798	42,794,638	67,559,945	14,745,147
\$1,000,000 or more	34,944	62,065	85,732,872	169,631,441	72,120,769	150,793,390	24,489,662

Size of adjusted gross income	Total income tax ²	Percentage of returns showing no total income tax ²		Returns showing total income tax			
	--Continued	1987	1988	Average tax (whole dollars) ²		Tax as percentage of AGI ¹²	
	1988	1987	1988	1987	1988	1987	1988
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Total	412,869,909	18.9	20.6	4,257	4,738	13.7	13.8
Less than \$1,000 ^{3,4}	139,877	79.6	77.0	240	154	--	--
\$1,000 under \$3,000	173,108	70.0	73.6	82	88	4.0	4.6
\$3,000 under \$5,000	396,062	55.4	64.6	146	173	3.6	4.4
\$5,000 under \$7,000	944,306	36.4	35.7	244	236	4.1	3.9
\$7,000 under \$9,000	1,803,321	34.3	37.7	433	468	5.4	5.8
\$9,000 under \$11,000	2,548,936	29.2	32.7	615	648	6.1	6.5
\$11,000 under \$13,000	3,351,471	18.8	26.4	806	839	6.7	7.0
\$13,000 under \$15,000	4,511	9.0	19.2	976	1,029	7.0	7.4
\$15,000 under \$17,000	5,453,776	3.5	8.2	1,225	1,197	7.7	7.5
\$17,000 under \$19,000	6,385,486	2.9	3.8	1,444	1,427	8.0	7.9
\$19,000 under \$22,000	10,425,520	2.0	2.1	1,742	1,748	8.5	8.5
\$22,000 under \$25,000	11,318,621	1.7	1.0	2,181	2,146	9.3	9.1
\$25,000 under \$30,000	20,361,642	0.7	0.7	2,741	2,729	10.0	9.9
\$30,000 under \$40,000	44,138,991	0.5	0.5	3,708	3,710	10.7	10.7
\$40,000 under \$50,000	42,768,361	0.3	0.2	5,274	5,184	11.8	11.6
\$50,000 under \$75,000	74,340,917	0.2	0.1	8,630	8,356	14.5	14.0
\$75,000 under \$100,000	35,685,329	0.1	0.1	15,171	14,169	17.8	16.7
\$100,000 under \$200,000	47,837,393	0.2	0.1	28,754	26,934	21.7	20.3
\$200,000 under \$500,000	38,699,740	0.1	0.1	76,866	70,637	26.6	23.9
\$500,000 under \$1,000,000	19,162,981	0.2	0.1	196,006	167,097	29.0	24.6
\$1,000,000 or more	42,422,678	0.3	0.1	702,777	684,546	28.7	25.0

See notes following Table 20.

Selected Historical and Other Data

Table 3.--Number of Individual Returns, Income, Tax and Average Tax by Size of Income, Tax Years 1987-1990--Continued
 [All figures are estimates based on samples--money amounts are in thousands of dollars except as indicated]

Size of adjusted gross income	Number of returns ¹		Adjusted gross income (AGI) ¹		Taxable income ¹		Total income tax ²
	1989	p1990	1989	p1990	1989	p1990	1989
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Total	112,135,673	113,798,774	3,256,358,156	3,431,905,535	2,173,345,881	2,280,920,401	432,939,998
Less than \$1,000 ^{3,4}	3,865,946	3,580,449	-40,657,731	-31,557,522	158,497	147,930	128,846
\$1,000 under \$3,000	7,330,646	7,385,663	14,364,878	14,621,024	1,026,356	1,042,899	175,791
\$3,000 under \$5,000	6,395,856	6,334,782	25,381,428	25,259,373	2,250,491	2,169,676	361,934
\$5,000 under \$7,000	6,080,369	6,020,440	36,276,901	36,111,036	5,196,365	4,805,589	808,791
\$7,000 under \$9,000	6,037,574	6,056,644	48,189,579	48,426,030	11,392,055	10,158,107	1,700,016
\$9,000 under \$11,000	5,954,986	5,877,197	59,572,156	58,790,011	17,522,902	16,217,466	2,483,871
\$11,000 under \$13,000	5,846,086	5,598,394	70,223,349	67,236,375	26,350,589	23,464,772	3,572,710
\$13,000 under \$15,000	5,390,708	5,378,234	75,328,410	75,241,857	32,229,078	31,024,445	4,343,324
\$15,000 under \$17,000	4,913,743	4,705,484	78,583,188	75,240,313	38,538,699	36,053,342	5,325,208
\$17,000 under \$19,000	4,679,582	4,645,872	84,168,352	83,624,721	45,058,301	42,869,438	6,465,468
\$19,000 under \$22,000	6,118,287	6,315,184	125,149,987	129,249,655	70,675,174	71,725,659	10,516,360
\$22,000 under \$25,000	5,358,979	5,473,808	125,645,626	128,275,454	75,113,973	76,084,755	11,181,574
\$25,000 under \$30,000	7,615,123	7,843,570	209,191,554	215,377,899	131,904,440	133,798,935	20,726,836
\$30,000 under \$40,000	12,100,369	12,272,429	420,231,928	425,935,280	278,320,161	280,250,725	45,597,596
\$40,000 under \$50,000	8,590,273	8,850,998	383,889,075	395,330,951	263,107,712	271,039,265	44,034,240
\$50,000 under \$75,000	9,921,341	10,999,621	594,483,386	660,633,137	424,581,970	469,615,063	81,250,313
\$75,000 under \$100,000	3,059,386	3,281,541	261,107,136	279,932,262	193,047,596	205,948,094	42,671,702
\$100,000 under \$200,000	2,090,358	2,328,827	276,331,693	305,813,213	212,184,703	231,855,349	54,471,932
\$200,000 under \$500,000	612,814	653,139	179,115,618	190,872,886	146,390,252	155,981,580	41,631,082
\$500,000 under \$1,000,000	115,646	132,854	78,516,288	89,284,039	66,881,786	76,927,565	18,882,584
\$1,000,000 or more	57,603	63,642	151,465,353	158,207,543	131,414,782	139,939,746	36,609,819

Size of adjusted gross income	Total income tax ² --Continued	Percentage of returns showing no total income tax ²		Returns showing total income tax			
		1989	p1990	Average tax (whole dollars) ²		Tax as percentage of AGI ^{1,2}	
				1989	p1990	1989	p1990
	p1990	1989	p1990	(25)	(26)	(27)	(28)
Total	451,424,760	20.5	20.9	4,855	5,015	13.7	13.6
Less than \$1,000 ^{3,4}	63,542	80.0	79.6	166	87	--	--
\$1,000 under \$3,000	176,126	72.5	72.8	87	88	4.6	4.6
\$3,000 under \$5,000	342,021	65.5	65.7	164	157	4.2	3.9
\$5,000 under \$7,000	748,887	38.4	42.4	216	216	3.6	3.5
\$7,000 under \$9,000	1,515,305	37.8	40.2	453	419	5.7	5.2
\$9,000 under \$11,000	2,302,641	34.5	37.4	637	626	6.4	6.3
\$11,000 under \$13,000	3,191,648	27.2	30.5	839	820	7.0	6.8
\$13,000 under \$15,000	4,075,850	20.0	24.5	1,007	1,003	7.2	7.2
\$15,000 under \$17,000	4,865,518	8.7	11.4	1,187	1,166	7.4	7.3
\$17,000 under \$19,000	6,054,468	4.6	5.4	1,448	1,377	8.1	7.7
\$19,000 under \$22,000	10,596,969	1.8	2.3	1,750	1,718	8.0	8.4
\$22,000 under \$25,000	11,276,357	1.6	1.1	2,120	2,084	9.0	8.9
\$25,000 under \$30,000	20,598,403	1.0	1.1	2,748	2,656	10.0	9.7
\$30,000 under \$40,000	45,207,045	0.4	0.5	3,785	3,703	10.9	10.7
\$40,000 under \$50,000	44,920,511	0.4	0.3	5,144	5,089	11.5	11.4
\$50,000 under \$75,000	87,797,196	0.2	0.1	8,202	7,992	13.7	13.3
\$75,000 under \$100,000	44,500,174	0.2	0.1	13,973	13,578	16.4	15.9
\$100,000 under \$200,000	58,124,588	0.1	0.1	26,092	24,993	19.7	19.0
\$200,000 under \$500,000	44,413,564	0.1	0.1	68,027	68,098	23.3	23.3
\$500,000 under \$1,000,000	21,673,680	0.1	0.1	163,497	163,364	24.1	24.3
\$1,000,000 or more	38,980,271	0.2	0.1	636,582	613,138	24.2	24.7

See notes following Table 20.

Table 4.—Reconciliation of Adjusted Gross Income (AGI) and Personal Income Used in the National Income and Product Accounts (NIPA), for Specified Years, 1970-1989

[All figures are estimates—money amounts are in billions of dollars]

Income and adjustment items	1970r	1975r	1980r	1985r	1987r	1988r	1989
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Personal income (per NIPA)	831.0	1,307.3	2,265.4	3,379.8	3,802.0	4,075.9	4,380.2
2. Portion of personal income not included in AGI	179.7	346.0	603.7	1,039.4	1,064.5	1,138.7	1,219.4
Transfer payments (except taxable military pay and taxable Government pensions)	77.0	171.6	282.1	407.4	444.0	470.7	509.1
Other labor income (except fees)	31.9	65.0	138.0	188.5	206.4	226.3	249.3
Imputed income	25.2	32.0	47.6	66.2	82.8	87.3	73.0
Investment income received by nonprofit institutions or retained by fiduciaries	7.5	11.1	19.9	32.6	31.7	34.8	35.8
Investment income retained by life insurance carriers and noninsured pension funds ¹	12.5	23.5	58.7	122.1	146.3	160.4	180.1
Net differences in accounting treatment (NIPA vs. IRS).....	10.0	17.8	15.3	89.9	77.0	80.3	91.5
Other excluded or tax exempt income	15.8	24.9	42.1	132.6	76.3	78.9	80.6
3. Portion of AGI not included in personal income	47.1	85.9	157.0	303.1	428.0	503.9	527.6
Personal contributions for social insurance	27.9	50.4	88.6	149.1	173.6	194.5	211.7
Net capital gain less loss from sales of property.....	7.8	13.9	27.1	60.9	127.1	149.9	134.8
Taxable private pensions	6.3	14.0	32.7	90.2	112.3	115.4	123.2
S Corporation income (taxed through shareholders) less loss	1.7	2.1	0.7	6.3	17.7	34.4	49.0
Other taxable income less loss	3.4	5.4	7.9	-3.4	-2.8	9.8	8.9
4. Total net adjustment for conceptual differences (line 2 minus line 3)	132.6	260.1	446.7	736.4	636.5	634.8	691.8
5. Estimated total AGI (per NIPA) (line 1 minus line 4)	698.4	1,047.1	1,818.7	2,643.5	3,165.5	3,441.2	3,639.5
6. Adjusted gross income (AGI) (SOI)	631.7	947.8	1,613.7	2,306.0	2,773.8	3,083.0	3,256.4
7. Estimated difference in AGI (NIPA vs. SOI) (line 5 minus line 6) ².....	66.7	99.4	205.0	337.5	391.7	358.1	442.1

See notes following Table 20.

Selected Historical and Other Data

Table 5.--Personal Income and Total Adjusted Gross Income Based on Individual Income Tax Returns per National Income and Product Accounts (NIPA), Tax Years 1947-1991

[All figures are estimates--money amounts are in billions of dollars]

Tax year	Personal income (per NIPA) ^{r 1}	Total adjusted gross income (AGI) (per NIPA) ^{r 1}	Difference	
			Amount	Percentage of personal income
	(1)	(2)	(3)	(4)
1947.....	190.2	170.6	19.6	10.3
1948.....	209.2	184.6	24.6	11.8
1949.....	206.4	181.7	24.7	12.0
1950.....	228.1	201.4	26.7	11.7
1951.....	256.5	228.8	27.7	10.8
1952.....	273.8	241.8	32.0	11.7
1953.....	290.5	257.1	33.4	11.5
1954.....	293.0	256.4	36.6	12.5
1955.....	314.2	277.1	37.1	11.8
1956.....	337.2	297.9	39.3	11.7
1957.....	356.3	310.7	45.6	12.8
1958.....	367.1	316.0	51.1	13.9
1959.....	391.2	338.2	52.9	13.5
1960.....	409.2	350.9	58.3	14.3
1961.....	426.5	364.8	61.7	14.5
1962.....	453.4	386.7	66.7	14.7
1963.....	476.4	408.1	68.2	14.3
1964.....	510.7	441.5	69.2	13.5
1965.....	552.9	478.9	74.0	13.4
1966.....	601.7	520.3	81.4	13.5
1967.....	646.5	554.5	92.0	14.2
1968.....	709.9	607.9	102.0	14.4
1969.....	773.7	662.6	111.1	14.4
1970.....	831.0	698.4	132.6	16.0
1971.....	893.5	744.0	149.5	16.7
1972.....	980.5	824.3	156.2	15.9
1973.....	1,098.7	926.0	172.7	15.7
1974.....	1,205.7	1,004.1	201.5	16.7
1975.....	1,307.3	1,047.1	260.1	19.9
1976.....	1,446.3	1,166.8	279.5	19.3
1977.....	1,601.3	1,293.3	308.0	19.2
1978.....	1,807.9	1,465.6	342.3	18.9
1979.....	2,033.1	1,651.7	381.4	18.8
1980.....	2,265.4	1,818.7	446.7	19.7
1981.....	2,534.7	2,001.8	532.9	21.0
1982.....	2,690.9	2,077.5	613.4	22.8
1983.....	2,862.5	2,227.1	635.5	22.2
1984.....	3,154.6	2,454.7	699.9	22.2
1985.....	3,379.8	2,643.5	736.3	21.8
1986.....	3,590.4	2,880.6 ²	709.9 ²	19.8 ²
1987.....	3,802.0	3,165.5 ²	636.5 ²	16.7 ²
1988.....	4,075.9	3,441.2 ²	634.8 ²	15.6 ²
1989.....	4,380.2	3,639.5 ²	740.7 ²	16.9 ²
1990.....	4,679.8	n.a.	n.a.	n.a.
p1991.....	4,833.9	n.a.	n.a.	n.a.

See notes following Table 20.

Table 6.--Total Adjusted Gross Income Estimated from National Income and Product Accounts (NIPA) and Adjusted Gross Income Reported on Individual Income Tax Returns per SOI, Tax Years 1947-1990

[All figures are estimates--money amounts are in billions of dollars]

Tax year	Adjusted gross income (AGI)		Difference	
	Total (per NIPA) ^{1,2}	Reported on tax returns (per SOI) ²	Amount ²	Percentage of total ²
	(1)	(2)	(3)	(4)
1947.....	170.6	149.7	20.9	12.3
1948.....	184.6	163.6	21.0	11.4
1949.....	181.7	160.6	21.1	11.6
1950.....	201.4	179.1	22.3	11.1
1951.....	228.8	202.4	26.4	11.5
1952.....	241.8	215.3	26.5	11.0
1953.....	257.1	228.7	28.4	11.0
1954.....	256.4	229.2	27.2	10.6
1955.....	277.1	248.5	28.6	10.3
1956.....	279.9	267.8	30.1	10.1
1957.....	310.7	280.4	30.3	9.8
1958.....	316.0	281.2	34.8	11.0
1959.....	338.2	305.1	33.1	8.5
1960.....	350.9	315.5	35.4	8.7
1961.....	364.8	329.9	35.0	8.2
1962.....	366.7	348.7	38.0	8.4
1963.....	408.1	368.8	39.4	8.3
1964.....	441.5	396.7	44.8	8.8
1965.....	478.9	429.2	49.7	9.0
1966.....	520.3	468.5	51.9	8.6
1967.....	554.5	504.8	49.7	7.7
1968.....	607.9	554.4	53.5	7.5
1969.....	662.6	603.5	59.0	7.6
1970.....	698.4	631.7	66.7	8.0
1971.....	744.0	673.6	70.4	7.9
1972.....	824.3	746.0	78.3	8.0
1973.....	926.0	827.1	98.8	9.0
1974.....	1,004.1	905.5	98.6	8.2
1975.....	1,047.1	947.8	99.4	7.6
1976.....	1,166.8	1,053.9	112.9	7.8
1977.....	1,293.3	1,158.5	134.8	8.4
1978.....	1,465.6	1,302.4	163.1	9.0
1979.....	1,651.7	1,465.4	186.3	9.2
1980.....	1,818.7	1,613.7	205.0	9.1
1981.....	2,001.8	1,772.6	229.1	9.0
1982.....	2,007.5	1,852.1	225.4	8.4
1983.....	2,227.1	1,942.6	284.5	9.9
1984.....	2,454.7	2,139.9	314.8	10.0
1985.....	2,643.5	2,306.0	337.5	10.0
1986.....	2,880.6	2,481.7	398.9	11.1
1987.....	3,165.5	2,773.8	391.7	10.3
1988.....	3,441.2	3,083.0	358.1	8.8
1989.....	3,639.5	3,256.4	383.1	8.8
p1990.....	n.a.	3,431.9	n.a.	n.a.

See notes following Table 20.

Selected Historical and Other Data

Table 7.--Standard, Itemized and Total Deductions Reported on Individual Income Tax Returns, Tax Years 1944-1990
 [All figures are estimates based on samples--number of returns are in millions; money amounts are in billions of dollars]

Tax year	Total number of returns	Standard deduction		Itemized deductions		Total deductions	
		Number of returns ¹	Amount ²	Number of returns ¹	Amount ³	Amount ⁴	Percentage of adjusted gross income (AGI) ⁵
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1944.....	47.1	38.7	8.0	8.4	4.8	12.8	11.0
1945.....	49.9	41.5	8.1	8.5	5.5	13.6	11.3
1946.....	52.8	44.1	8.9	8.8	6.3	15.2	11.3
1947.....	55.1	44.7	9.8	10.4	7.8	17.6	11.8
1948.....	52.1	43.2	11.5	8.8	7.9	19.4	11.9
1949.....	51.8	42.1	11.1	9.7	8.8	19.9	12.4
1950.....	53.1	42.7	12.0	10.3	9.9	21.9	12.2
1951.....	55.4	43.9	13.3	11.6	11.9	25.2	12.5
1952.....	56.5	43.7	13.7	12.8	13.6	27.3	12.7
1953.....	57.8	43.4	14.2	14.4	15.6	29.8	13.0
1954.....	56.7	41.0	13.3	15.7	17.4	30.7	13.4
1955.....	58.3	41.4	13.6	16.9	20.0	33.6	13.5
1956.....	59.2	40.7	13.8	18.5	22.6	36.4	13.6
1957.....	59.8	39.7	13.8	20.2	25.7	39.5	14.1
1958.....	59.1	38.3	13.2	20.8	27.5	40.7	14.5
1959.....	60.3	37.8	13.4	22.5	32.0	45.4	14.9
1960.....	61.0	36.9	13.1	24.1	35.3	48.4	15.3
1961.....	61.5	36.2	12.9	25.3	38.4	51.3	15.6
1962.....	62.7	36.3	13.1	26.5	41.7	54.8	15.7
1963.....	63.9	35.8	13.1	28.2	46.1	59.2	16.1
1964.....	65.4	38.5	20.2	26.9	46.8	67.0	16.9
1965.....	67.6	39.7	20.6	27.9	50.7	71.4	16.6
1966.....	70.2	41.6	21.8	28.6	54.6	76.4	16.3
1967.....	71.7	41.9	22.1	29.8	59.6	81.7	16.2
1968.....	73.7	41.7	22.1	32.0	69.2	91.3	16.4
1969.....	75.8	40.9	21.6	34.9	80.2	101.8	16.8
1970.....	74.3	38.8	32.4	35.4	88.2	120.5	19.0
1971.....	74.6	43.9	48.1	30.7	91.9	139.9	20.7
1972.....	77.6	50.6	69.8	27.0	96.7	166.4	22.2
1973.....	80.7	52.6	73.6	28.0	107.0	180.6	21.8
1974.....	83.3	53.8	76.1	29.6	119.4	195.5	21.6
1975.....	82.2	56.1	100.9	26.1	122.3	233.2	23.5
1976.....	84.7	58.7	113.8	26.0	133.9	247.6	23.5
1977.....	86.6	63.7	137.7	22.9	138.5	276.2	23.8
1978.....	89.8	64.0	139.8	25.8	164.4	304.3	23.4
1979.....	92.7	66.2	148.8	26.5	184.2	333.0	22.7
1980.....	93.9	65.0	146.0	29.0	218.0	346.0	22.6
1981.....	95.4	63.8	144.7	31.6	256.4	401.2	22.6
1982.....	95.3	61.9	140.2	33.4	284.5	425.2	22.9
1983.....	96.3	61.1	138.5	35.2	309.6	448.7	23.1
1984.....	99.4	61.2	139.5	38.2	358.9	499.6	23.3
1985.....	101.7	61.8	145.0	39.8	405.0	554.7	23.9
1986.....	103.0	62.4	151.0	40.7	447.1	611.3	24.6
1987.....	107.0	71.4	215.2	35.6	392.0	607.2	21.9
1988.....	109.7	76.5	289.6	31.9	395.2	686.0	22.3
1989.....	112.1	79.3	309.4	32.0	431.0	740.4	22.7
p1990.....	113.8	80.8	332.8	32.2	452.4	785.2	22.9

See notes following Table 20.

Table 8.--Personal Income per National Income and Product Accounts (NIPA), and Taxable Income and Individual Income Tax per SOI, Tax Years 1947-1991

[All figures are estimates--money amounts are in billions of dollars]

Tax year	Personal income (per NIPA) ^{r 1}	Taxable income (per SOI) ²		Total income tax (per SOI) ³		
		Amount	As a percentage of personal income ^r	Total	As a percentage of--	
					Personal income ^{r 1}	Taxable income ²
	(1)	(2)	(3)	(4)	(5)	(6)
1947.....	190.2	75.4	39.6	18.1	9.5	24.0
1948.....	209.2	74.8	35.8	15.4	7.4	20.6
1949.....	206.4	71.7	34.7	14.5	7.0	20.2
1950.....	228.1	84.3	37.0	18.4	8.1	21.8
1951.....	256.5	99.2	38.7	24.2	9.4	25.9
1952.....	273.8	107.2	39.2	27.8	10.2	25.9
1953.....	290.5	114.3	39.3	29.4	10.1	25.7
1954.....	293.0	115.3	39.4	26.7	9.1	23.2
1955.....	314.2	128.0	40.7	29.6	9.4	23.1
1956.....	337.2	141.5	42.0	32.7	9.7	23.1
1957.....	356.3	149.4	41.9	34.4	9.7	23.0
1958.....	367.1	149.3	40.7	34.3	9.3	23.0
1959.....	391.2	166.5	42.6	38.6	9.9	23.2
1960.....	409.2	171.6	41.9	39.5	9.7	23.0
1961.....	426.5	181.8	42.6	42.2	9.9	23.2
1962.....	453.4	195.3	43.1	44.9	9.9	23.0
1963.....	476.4	209.1	43.9	48.2	10.1	23.1
1964.....	510.7	229.9	45.0	47.2	9.2	20.5
1965.....	552.9	255.1	46.1	49.6	9.0	19.4
1966.....	601.7	286.3	47.6	56.1	9.3	19.6
1967.....	646.5	315.1	48.7	63.0	9.7	20.0
1968.....	709.9	352.8	49.7	76.7	10.8	21.7
1969.....	773.7	388.8	50.3	86.6	11.2	22.3
1970.....	831.0	401.2	48.3	83.9	10.1	20.9
1971.....	893.5	414.0	46.3	85.4	9.6	20.6
1972.....	980.5	447.6	45.7	93.6	9.6	20.9
1973.....	1,098.7	511.9	46.6	108.1	9.8	21.1
1974.....	1,205.7	573.6	47.6	123.6	10.3	21.5
1975.....	1,307.3	595.5	45.6	124.5	9.5	20.9
1976.....	1,446.3	674.9	46.7	141.8	9.8	21.0
1977.....	1,601.3	733.8	45.8	159.8	10.0	21.8
1978.....	1,807.9	846.4	46.8	188.2	10.4	22.2
1979.....	2,033.1	926.6	45.6	214.5	10.6	23.2
1980.....	2,265.4	1,045.2	46.1	250.3	11.1	24.0
1981.....	2,534.7	1,170.1	46.2	284.1	11.2	24.3
1982.....	2,690.9	1,231.9	45.8	277.6	10.3	22.6
1983.....	2,862.5	1,300.2	45.4	274.2	9.6	21.1
1984.....	3,154.6	1,447.0	45.9	301.9	9.6	20.9
1985.....	3,379.8	1,550.5	45.9	325.7	9.6	21.0
1986.....	3,590.4	1,665.6	46.4	367.3	10.2	22.1
1987.....	3,802.0	1,850.6	48.7	369.2	9.7	20.0
1988.....	4,075.9	2,070.0	50.8	412.9	10.1	20.0
1989.....	4,380.2	2,173.3	49.6	432.9	9.9	19.0
1990.....	4,679.8	2,280.9	48.7	451.4	9.7	19.8
p1991.....	4,833.9	n.a.	n.a.	n.a.	n.a.	n.a.

See notes following Table 20.

Selected Historical and Other Data

Table 9.—Number of Individual Income Tax Returns by Type of Tax Settlement, Tax Years 1944-1990

[All figures are estimates based on samples—number of returns are in millions]

Tax year	Total number of returns	Returns with--		
		Tax due at time of filing	Overpayments	No overpayments or tax due at time of filing
	(1)	(2)	(3)	(4)
1944.....	47.1	22.6	22.9	1.6
1945.....	49.9	14.5	33.5	1.9
1946.....	52.8	13.6	34.4	4.8
1947.....	55.1	15.3	33.0	6.7
1948.....	52.1	8.1	38.4	5.6
1949.....	51.8	13.8	30.2	7.9
1950.....	53.1	14.3	32.0	6.8
1951.....	55.4	18.6	31.0	5.8
1952.....	56.5	19.3	32.1	5.1
1953.....	57.8	19.0	32.7	6.2
1954.....	56.7	16.6	35.2	5.0
1955.....	58.3	18.7	35.4	4.2
1956.....	59.2	19.4	36.1	3.7
1957.....	59.8	18.6	37.6	3.6
1958.....	59.1	18.1	37.4	3.6
1959.....	60.3	19.1	38.4	2.8
1960.....	61.0	18.1	39.4	3.5
1961.....	61.5	18.6	40.0	2.9
1962.....	62.7	18.7	40.9	3.1
1963.....	63.9	19.3	41.4	3.3
1964.....	65.4	22.5	39.3	3.5
1965.....	67.6	20.0	44.3	3.2
1966.....	70.2	17.8	49.4	3.0
1967.....	71.7	17.5	51.2	3.0
1968.....	73.7	20.3	50.6	2.8
1969.....	75.8	17.9	54.9	3.0
1970.....	74.3	16.5	55.3	2.5
1971.....	74.6	17.0	55.3	2.4
1972.....	77.6	11.9	63.3	2.3
1973.....	80.7	14.2	64.2	2.2
1974.....	83.3	15.4	65.8	2.1
1975.....	82.2	15.8	63.8	2.6
1976.....	84.7	16.9	65.0	2.8
1977.....	86.6	17.8	66.0	2.8
1978.....	89.8	21.6	65.5	2.7
1979.....	92.7	18.8	71.4	2.4
1980.....	93.9	21.8	69.9	2.3
1981.....	95.4	23.0	70.0	2.4
1982.....	95.3	20.3	72.4	2.6
1983.....	96.3	18.5	75.0	2.9
1984.....	99.4	21.2	75.6	2.7
1985.....	101.7	21.2	77.4	3.0
1986.....	103.0	21.5	78.1	3.5
1987.....	107.0	23.8	79.8	3.4
1988.....	109.7	27.2	79.1	3.4
1989.....	112.1	28.0	80.9	3.2
p1990.....	113.8	26.9	83.7	3.2

See notes following Table 20.

Table 10.—Nonfarm Sole Proprietorship Returns: Selected Income Statement Items for Specified Income Years, 1970-1989

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Item	1970	1975	1980	1985	1988	1989
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total	5,769,741	7,221,346	8,931,712	11,928,573	13,679,302	14,297,558
Number with net income	n.a.	n.a.	n.a.	8,640,701	10,491,980	11,017,545
Business receipts, total	198,582,172	273,954,741	411,205,713	540,045,430	671,969,931	692,810,938
Income from sales and operations	n.a.	272,342,560	407,169,299	528,675,271	658,687,319	678,616,316
Total deductions	168,044,746	234,318,288	356,258,495	461,272,852	545,734,861 ¹	560,175,242
Cost of sales and operations	109,148,811	146,261,435	209,889,809	232,294,132	277,880,196	283,709,263
Inventory, beginning-of-year	n.a.	n.a.	n.a.	21,435,438	25,826,139	26,435,007
Inventory, end of year	11,060,775	15,578,040	21,996,236	24,969,895	27,312,780	30,060,378
Purchases	88,585,913	117,722,352	168,301,517	n.a.	197,219,846	204,681,257
Cost of labor	7,704,285	8,791,083	10,922,221	14,504,201	21,143,176	22,539,717
Materials and supplies	6,216,057	9,090,638	12,909,222	n.a.	27,800,391	29,870,475
Advertising	n.a.	n.a.	n.a.	n.a.	6,151,675	6,360,282
Car and truck expenses	n.a.	n.a.	13,378,289	17,044,421	19,640,064	20,789,123
Commissions	1,274,016	2,225,830	3,333,345	n.a.	6,539,971	6,843,131
Depletion	n.a.	n.a.	n.a.	n.a.	658,821	697,527
Depreciation	5,451,525	7,958,143	13,952,703	26,291,389	26,078,240	24,479,083
Pension and profit sharing plans	72,741	125,296	141,463	311,323	450,388	539,006
Employee benefit programs	n.a.	n.a.	n.a.	n.a.	563,019	791,918
Insurance	2,309,608	3,503,812	6,003,126	n.a.	12,527,976	12,879,020
Interest paid	1,784,276	3,390,845	7,190,257	11,913,982	12,070,600	13,279,935
Mortgage interest	n.a.	n.a.	n.a.	n.a.	5,668,298	5,971,296
Other interest	n.a.	n.a.	n.a.	n.a.	6,402,302	7,308,639
Meals and entertainment expenses, total	n.a.	n.a.	n.a.	n.a.	4,589,832	5,152,504
Meals and entertainment deduction	n.a.	n.a.	n.a.	n.a.	3,671,407	4,121,487
Office expenses	n.a.	n.a.	n.a.	n.a.	5,315,870	6,224,723
Rent paid	4,636,528	6,676,314	9,636,290	15,258,690	19,470,237	20,951,632
On machinery	n.a.	n.a.	n.a.	n.a.	n.a.	2,975,857
On other business property	n.a.	n.a.	n.a.	n.a.	19,470,237	17,975,775
Repairs	2,444,607	3,044,175	5,031,573	n.a.	8,103,581	8,149,168
Net salaries and wages	15,107,047	20,227,859	26,560,821	38,265,691	43,007,261	45,469,088
Taxes paid	3,775,502	5,423,961	7,672,459	n.a.	9,494,998	9,947,661
Travel	n.a.	n.a.	n.a.	n.a.	3,896,634	4,494,275
Utilities	n.a.	n.a.	4,790,337	n.a.	14,618,337	13,600,896
Bad debts from sales or service	n.a.	n.a.	n.a.	600,613	914,014	1,109,658
Net income (less deficit)	30,537,426	39,636,453	54,947,219	78,772,578	126,323,251	132,737,680
Net income	33,735,732	45,624,890	68,010,051	98,775,563	145,517,755	152,416,377
Deficit	3,198,306	5,988,437	13,062,832	20,002,986	19,194,505	19,678,697

See notes following Table 20.

Selected Historical and Other Data

Table 11.--Partnership Returns: Selected Balance Sheet and Income Statement Items for Specified Income Years, 1970-1989

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Item	1970	1975	1980	1985	1988	1989
	(1)	(2)	(3)	(4)	(5)	(6)
Total number of active partnerships	936,133	1,073,094	1,379,654	1,713,603	1,654,245	1,635,164
Number with net income	639,795	661,134	774,173	875,846	901,297	897,950
Number with balance sheets	555,741	783,271	1,194,236	1,227,498	1,154,882	1,137,048
Number of partners	3,697,818	4,950,634	8,419,899	13,244,824	17,291,178	18,431,918
Total assets ¹	116,752,751	235,468,301	597,503,923	1,269,434,302	1,580,194,209	1,791,027,273
Depreciable assets (net)	n.a.	113,124,969	239,139,823	695,878,822	933,428,499	1,002,296,389
Inventories, end of year	n.a.	11,985,431	33,218,272	27,279,234	51,151,852	59,442,619
Land	n.a.	36,731,958	70,241,248	152,179,314	200,268,647	213,854,531
Total liabilities ¹	n.a.	193,875,629	488,734,023	1,069,221,649	1,313,087,261	1,435,245,691
Accounts payable	n.a.	12,302,055	33,899,048	40,871,755	48,882,276	51,695,075
Short-term debt ²	n.a.	22,709,476	48,001,839	102,760,363	86,552,615	86,933,328
Long-term debt ³	n.a.	136,296,764	178,044,406	381,960,685	473,597,425	512,127,625
Nonrecourse loans	n.a.	n.a.	118,910,380	327,558,208	436,916,024	461,008,315
Partners' capital accounts ¹	n.a.	41,592,672	108,769,900	200,212,653	267,106,948	355,781,582
Total receipts ⁴	93,348,080	148,417,529	291,998,115	367,117,316	540,193,912	505,222,543
Business receipt ⁵	90,208,834	142,505,781	271,108,832	302,733,374	463,956,020	464,951,817
Interest received	942,304	2,477,173	10,869,323	20,558,966	19,776,489	20,941,861
Total deductions ⁴	83,557,684	140,679,959	283,749,460	376,000,991	526,217,080	536,749,152
Cost of sales and operations	46,040,874	64,672,843	113,885,668	146,315,315	252,590,549	232,797,570
Purchases	31,820,581	42,608,734	70,439,607	91,925,923	173,024,428	137,011,049
Cost of labor	4,146,927	4,585,836	7,015,547	8,845,106	11,535,738	13,378,307
Salaries and wages	8,129,233	12,489,039	22,336,337	33,884,204	47,098,641	54,051,875
Taxes paid	3,159,258	5,770,918	9,553,145	7,745,756	7,993,317	8,873,071
Interest paid ⁶	4,470,206	12,097,100	28,362,385	28,674,933	23,242,437	32,747,005
Depreciation ⁷	4,578,820	10,108,834	21,576,189	53,650,790	61,839,261	64,368,099
Net income (less deficit)	9,790,396	7,737,570	8,248,655	-8,883,674	14,493,114	14,099,275
Net income	14,419,124	22,431,931	45,061,756	77,044,693	111,384,545	113,885,966
Deficit	4,628,728	14,694,361	36,813,100	85,928,367	96,891,431	99,786,691

See notes following Table 20.

Table 12.--Number of Business Income Tax Returns by Size of Business for Specified Years, 1970-1989

[All figures are estimates based on samples--number of businesses are in thousands]

Size of business	1970	1975	1980	1985	1988	1989
	(1)	(2)	(3)	(4)	(5)	(6)
CORPORATIONS						
Receipt size ¹						
Under \$25,000 ²	451.9	468.9	557.0	710.8	818.4	n.a.
\$25,000 under \$50,000	170.7	186.4	207.7	236.6	227.9	n.a.
\$50,000 under \$100,000	219.8	260.7	322.7	330.2	350.4	n.a.
\$100,000 under \$250,000	516.9	673.9	558.4	620.5	617.8	n.a.
\$250,000 under \$500,000	141.1	184.2	367.3	489.2	516.4	n.a.
\$500,000 under \$1,000,000	165.0	249.5	279.8	352.4	409.1	n.a.
\$1,000,000 or more			417.7	537.6	622.8	n.a.
Asset size						
Under \$100,000 ³	961.0	1,177.7	1,514.6	1,833.5	2,005.9	n.a.
\$100,000 under \$1,000,000.....	599.1	704.6	968.9	1,152.5	1,216.5	n.a.
\$1,000,000 under \$10,000,000.....	87.0	116.4	191.8	245.4	288.3	n.a.
\$10,000,000 under \$25,000,000.....	9.8	12.2	16.6	20.9	24.2	n.a.
\$25,000,000 under \$50,000,000.....	3.9	5.6	7.8	10.4	10.5	n.a.
\$50,000,000 under \$100,000,000.....	2.1	3.1	4.8	6.2	7.0	n.a.
\$100,000,000 under \$250,000,000.....	1.4	2.1	3.2	4.4	5.3	n.a.
\$250,000,000 and over.....	1.2	1.9	2.9	4.1	5.1	n.a.
PARTNERSHIPS						
Receipt size ^{1,4}						
Under \$25,000 ²	501.7	549.7	638.0	840.1	829.8	779.0
\$25,000 under \$50,000	125.2	141.0	181.8	195.5	117.5	155.6
\$50,000 under \$100,000	119.6	133.7	183.6	199.5	183.3	201.6
\$100,000 under \$250,000	97.2	114.0	155.2	190.1	160.4	219.2
\$250,000 under \$500,000	65.2	90.6	135.6	165.5	159.3	122.4
\$500,000 under \$1,000,000	17.0	25.5	48.1	66.9	73.9	77.9
\$1,000,000 or more	10.3	18.6	37.4	56.0	69.7	79.5
Asset size ⁵						
Under \$25,000 ³	635.7	611.0	541.9	794.1	783.5	757.8
\$25,000 under \$50,000	80.8	105.9	156.3	132.7	117.7	126.4
\$50,000 under \$100,000.....	73.5	106.8	180.2	165.8	133.1	122.1
\$100,000 under \$250,000	74.7	116.0	219.1	210.9	127.2	192.1
\$250,000 under \$500,000	33.8	56.9	117.9	142.8	195.0	133.9
\$500,000 under \$1,000,000	19.3	35.3	72.1	100.0	108.8	109.6
\$1,000,000 or more	18.3	41.2	92.2	167.2	188.6	193.3
NONFARM SOLE PROPRIETORSHIPS						
Receipt size						
Under \$2,500 ³	1,894.3	2,299.9	2,783.1	3,067.5	3,364.9	3,623.1
\$2,500 under \$5,000	815.1	959.4	1,158.6	1,444.6	1,509.9	1,621.5
\$5,000 under \$10,000	891.5	1,041.7	1,262.9	1,633.6	1,962.8	1,998.2
\$10,000 under \$25,000	1,137.4	1,325.7	1,711.8	2,104.6	2,509.2	2,612.7
\$25,000 under \$50,000	746.4	849.5	1,079.1	1,393.9	1,601.6	1,660.0
\$50,000 under \$100,000.....	562.0	644.5	835.6	1,094.1	1,225.8	1,259.0
\$100,000 under \$200,000	297.4	380.9	795.8	967.6	967.6	779.0
\$200,000 under \$500,000	122.3	209.2	73.9	1,060.2	369.7	554.9
\$500,000 under \$1,000,000	20.8	35.3	29.2	89.3	118.3	139.7
\$1,000,000 or more	6.6	13.5		40.7	49.5	49.5

See notes following Table 20.

Selected Historical and Other Data

Table 13.—Corporation Income Tax Returns: Balance Sheet, Income Statement and Tax Items for Specified Years, 1970-1988

[All figures are estimates based on samples -- money amounts are in thousands of dollars]

Item	1970	1975	1980	1985	1987	1988
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total	1,665,477	2,023,647	2,710,538	3,277,219	3,612,133	3,562,789¹
Number with net income	1,008,337	1,226,208	1,596,632	1,820,120	1,995,452	1,908,799 ¹
Consolidated returns ^{2,3}	19,871	38,307	57,890	79,598	80,070	74,247
S Corporation returns ^{3,4}	257,475	358,413	545,389	724,749	1,127,905	1,257,191
DISC returns ^{3,5}	N/A	6,431	8,665	1,383	1,185	(¹)
FSC returns ^{3,6}	N/A	N/A	N/A	2,341	2,613	(¹)
Total assets	2,634,706,564	4,286,556,273	7,617,238,403	12,773,093,888	15,310,615,602	16,568,467,823¹
Cash	176,924,573	290,426,439	528,914,747	683,204,264	754,042,297	784,815,919
Notes and accounts receivable	614,667,367	1,051,542,806	1,984,601,790	3,317,635,191	3,763,230,257	4,099,147,501
Less: Allowance for bad debts	20,030,327	31,032,998	50,057,307	61,580,335	95,203,843	96,744,285
Inventories	190,401,642	317,718,545	534,806,547	714,722,928	829,272,682	845,783,686
Investments in Government obligations	196,625,390	316,131,699	472,059,737	916,550,098	1,092,370,975	1,094,749,402
Other current assets	73,058,482	145,101,716	310,177,160	629,136,396	836,599,341	912,145,245
Loans to stockholders	4,774,082	9,355,636	29,873,250	56,761,232	71,237,313	79,855,312
Mortgage and real estate loans	327,593,354	548,054,483	894,323,489	1,258,672,577	1,455,222,233	1,604,896,498
Other investments	401,389,022	626,266,074	1,213,986,210	2,413,551,474	3,227,237,568	3,614,438,470
Depreciable assets	868,908,018	1,276,564,500	2,107,027,914	3,174,193,649	3,602,960,891	3,820,961,787
Less: Accumulated depreciation	334,646,086	483,798,526	767,841,763	1,232,072,530	1,483,312,181	1,593,226,079
Depletable assets	18,517,264	38,511,396	71,901,490	112,339,389	123,104,144	124,421,968
Less: Accumulated depletion	6,774,796	14,501,561	19,569,556	37,203,920	49,686,832	50,921,656
Land	46,626,157	66,819,206	92,931,935	141,448,357	158,817,879	177,037,541
Intangible assets (amortizable)	12,818,168	12,823,183	45,480,694	145,290,625	262,309,525	329,484,622
Less: Accumulated amortization	5,984,184	4,491,990	18,393,037	42,505,240	55,540,169	67,703,687
Other assets	69,838,438	121,065,665	187,015,106	582,949,738	817,953,526	889,325,583
Total liabilities	2,634,706,564	4,286,556,273	7,617,238,403	12,773,093,888	15,310,615,602	16,568,467,823¹
Accounts payable	148,812,597	263,417,584	542,172,368	891,571,443	997,768,767	1,022,810,938
Mortgages, notes, and bonds payable in less than 1 year	170,884,261	272,123,551	504,802,288	1,001,337,795	1,247,450,987	1,431,308,911
Other current liabilities	892,218,397	1,577,425,991	2,706,796,360	4,234,983,432	4,822,312,874	5,092,190,043
Loans from stockholders	24,573,814	38,143,936	85,718,510	174,317,253	211,854,134	243,230,029
Mortgages, notes, and bonds payable in 1 year or more	362,700,303	586,703,526	986,663,932	1,699,272,481	2,141,169,042	2,352,107,056
Other liabilities	283,106,029	451,676,880	846,696,691	1,467,912,913	1,942,679,565	2,219,993,412
Capital stock	201,213,719	251,715,862	417,153,783	920,182,882	1,291,674,344	1,429,486,814
Paid-in or capital surplus	196,642,421	298,534,854	532,039,407	1,420,996,805	1,988,355,017	2,154,243,458
Retained earnings, appropriated	16,657,051	29,955,676	41,461,644	54,074,364	83,651,846	77,508,595
Retained earnings, unappropriated	349,225,750	537,631,026	1,027,902,049	1,311,512,589	1,257,000,416	1,313,070,807
Less: Cost of treasury stock	11,327,778	20,772,613	74,168,627	403,068,064	749,174,866	870,298,430
Total receipts	1,750,776,503	3,198,627,860	6,361,284,012	8,398,278,426	9,580,720,701^{7,8}	10,264,867,461^{1,7,8}
Business receipts	1,620,886,576	2,961,729,640	5,731,616,337	7,369,538,953	8,414,537,647 ^{7,8}	8,949,846,244 ^{7,8}
Interest on State and local Government obligations	3,775,917	6,711,606	12,620,876	20,164,514	30,764,430	32,308,213
Other interest	67,794,508	136,587,304	354,243,674	617,622,425	589,989,252	772,316,565
Dividends received from domestic corporations	5,238,421	8,818,282	18,654,800	16,967,379	13,864,647	15,165,056
Dividends received from foreign corporations	3,466,515	5,467,726	14,563,353	20,770,361	25,180,395	42,281,099
Rents	13,938,502	21,765,130	41,371,141	89,700,937	92,105,433	92,309,807
Royalties	2,586,387	5,167,141	12,450,250	15,237,421	20,743,856	23,942,535
Net short-term capital gain reduced by net long-term capital loss	190,439	301,601	2,013,510	7,032,062	8,453,030	5,574,907
Net long-term capital gain reduced by net short-term capital loss	5,481,580	8,364,523	24,910,957	53,771,685	63,754,106	56,684,288
Net gain, noncapital assets	5,315,562	7,757,287	20,117,615	33,537,842	29,568,649 ⁸	36,522,792 ⁸
Other receipts	22,102,096	35,957,620	128,721,498	153,934,848	206,857,448	237,915,957

Selected Historical and Other Data

Table 13.--Corporation Income Tax Returns: Balance Sheet, Income Statement and Tax Items for Specified Years, 1970-1988--Continued

[All figures are estimates based on samples -- money amounts are in thousands of dollars]

Item	1970	1975	1980	1985	1987	1988
	(1)	(2)	(3)	(4)	(5)	(6)
Total deductions	1,682,778,847	3,052,674,597	6,125,365,155	8,158,144,126	9,243,903,854 ⁷	9,853,420,138 ^{1,7}
Cost of sales and operations	1,146,263,273	2,129,928,467	4,204,905,905	4,894,254,081	5,596,218,574	5,944,935,455
Compensation of officers	32,846,381	57,832,552	108,973,751	170,737,540	200,048,676	203,220,587
Repairs	13,986,819	23,422,171	42,407,967	81,495,784	86,425,629	86,236,216
Bad debts	6,479,814	13,781,147	18,769,771	43,333,588	54,578,189	58,644,690
Rent paid on business property	23,842,355	40,769,829	71,990,832	134,661,335	153,781,416	161,141,584
Taxes paid	49,523,243	81,530,302	163,003,622	200,977,161	211,346,315	222,323,028
Interest paid	62,055,010	129,307,921	344,612,542	568,645,475	589,989,252	672,447,709
Contributions or gifts	797,029	1,202,130	2,358,554	4,471,736	4,980,027	4,893,019
Amortization	745,005	717,398	1,374,658	6,133,737	17,407,143	20,325,799
Depreciation	52,941,266	86,295,664	157,345,828	304,380,703	316,710,668	327,516,917
Depletion	5,623,339	5,341,489	8,871,993	7,779,731	8,460,962	8,716,602
Advertising	18,089,097	26,605,786	52,266,004	91,922,667	106,556,098	114,408,994
Pension, profit-sharing, stock bonus, and annuity plans	12,225,912	26,526,129	51,529,310	49,588,712	46,533,727	45,183,078
Employee benefit programs	7,398,283	15,690,563	40,179,104	71,601,577	84,603,727	94,322,487
Net loss, noncapital assets	1,289,305	1,804,079	5,903,104	7,893,175	12,047,435	14,094,202
Other deductions	248,672,716	411,918,970	850,872,216	1,520,267,133	1,754,216,022	1,875,009,779
Total receipts less total deductions	67,997,656	145,953,263	235,918,858	240,134,300	336,816,848	411,447,323 ^{1,8}
Constructive taxable income from related foreign corporations	1,679,875	3,395,169	15,708,560	20,299,335	22,226,855	33,977,330
Net income (less deficit)	65,901,614	142,636,826	239,006,542	240,119,020	328,223,710	412,982,753
Net income	83,710,924	169,483,336	296,787,201	363,867,384	465,234,737	555,850,912
Deficit	17,809,310	26,846,510	57,780,659	123,748,365	137,011,027	142,868,159
Income subject to tax ¹¹	72,374,437	146,589,287	246,598,486	266,060,609	311,840,615	383,201,978
Income tax, total	33,293,018 ¹²	66,144,308	105,142,436	111,340,839	118,484,975	131,367,397
Regular and alternative tax	32,949,937	65,769,822	103,831,172	109,106,358	115,073,572	126,899,211
Recapture of prior-year investment credit	77,832	217,138	867,571	1,497,597	783,953	552,398
Recapture of prior-year work incentive (WIN) credit	N/A	608	4,873	N/A	N/A	N/A
Additional tax for tax preferences and alternative minimum tax	265,249	156,740	438,820	725,878	2,229,107	3,352,845
Environmental tax	N/A	N/A	N/A	N/A	351,253	487,926
Foreign tax credit	4,548,986	19,987,724	24,879,737	24,263,487	20,812,861	27,068,104
U.S. possessions tax credit	N/A	N/A	1,572,734	2,450,583	2,666,634	2,318,021
Investment credit	865,954	6,459,746	15,102,812	(15)	(15)	(15)
Work incentive (WIN) credit	N/A	5,321	36,483	N/A	N/A	N/A
Jobs credit	N/A	N/A	601,444	(15)	(15)	(15)
Nonconventional source fuel credit	N/A	N/A	2	43,267	52,439	49,517
Alcohol fuel credit	N/A	N/A	4	(15)	(15)	(15)
Research activities credit	N/A	N/A	N/A	1,627,997	(15)	(15)
Employees stock ownership credit	N/A	N/A	N/A	(15)	(15)	N/A
Orphan drug credit	N/A	N/A	N/A	*204	5,154	8,053
General business credit	N/A	N/A	N/A	19,607,097	7,959,117	5,559,174
Prior year minimum tax credit	N/A	N/A	N/A	N/A	14	468,767
Distributions to stockholders:						
Cash and property except in own stock	32,012,677	45,224,392	97,378,617	n.a.	n.a.	n.a.
Corporation's own stock	1,922,810	2,066,559	3,525,549	n.a.	n.a.	n.a.

See notes following Table 20.

Selected Historical and Other Data

Table 14.--Corporation Income Tax Returns: Selected Balance Sheet, Income Statement and Tax Items by Industrial Division for Specified Income Years, 1970-1988

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Industrial division and item	1970	1975	1980	1985	1987	1988
	(1)	(2)	(3)	(4)	(5)	(6)
AGRICULTURE, FORESTRY AND FISHING						
Number of returns, total	37,283	56,280	80,883	103,156	116,544	119,902 ⁶
Number with net income	19,843	33,328	43,827	52,776	65,059	63,943 ⁶
Total assets	11,909,403	21,177,941	40,738,977	52,651,197	55,374,698	60,491,780
Net worth	4,012,068	6,844,949	11,460,935	15,406,221	18,201,394	20,271,852
Total receipts	14,277,707	28,118,514	52,089,915	70,491,486	77,057,114 ¹	86,258,094 ¹
Business receipts	13,591,763	26,624,149	48,850,056	65,419,402	71,809,603	80,520,140
Interest received	69,742	171,732	476,654	775,383 ²	490,401 ²	578,950 ²
Total deductions	14,209,713	27,369,286	51,418,280	70,559,478	75,422,713 ¹	84,637,081 ¹
Cost of sales and operations	10,555,539	19,738,447	35,798,332	45,085,526	50,565,416	57,188,712
Interest paid	356,225	797,420	2,184,441	2,758,952	2,272,546	2,497,991
Net income (less deficit)	65,295	746,908	673,158	-74,270	1,626,501 ¹	1,615,921 ¹
Net income	493,400	1,493,168	2,464,381	2,930,905	4,010,915 ¹	4,184,927 ¹
Deficit	428,105	746,260	1,791,222	3,005,175	2,384,414 ¹	2,569,006 ¹
Regular and alternative tax	113,115 ³	351,059	533,768	531,787	496,874 ⁴	538,994 ⁴
Total income tax after credits ⁵	107,023 ³	294,584	422,356	344,626	497,427	500,206
Distributions to stockholders except in own stock	65,824	244,524	304,733	n.a.	n.a.	n.a.
MINING						
Number of returns, total	14,465	14,242	25,576	41,426	42,050	41,080 ⁶
Number with net income	7,303	8,297	12,698	18,031	16,764	16,133 ⁶
Total assets	23,972,812	64,505,341	126,947,880	240,815,996	220,137,063	225,639,336
Net worth	13,381,821	32,765,690	54,068,148	104,772,797	109,553,353	111,829,194
Total receipts	17,747,750	65,909,994	176,672,390	142,038,595	96,805,871 ¹	100,426,996 ¹
Business receipts	16,699,586	63,670,496	167,397,918	126,710,610	85,846,689	87,350,933
Interest received	176,728	522,757	1,301,266	3,584,890 ²	2,622,570 ²	3,233,553 ²
Total deductions	15,927,348	42,348,765	169,051,624	145,389,514	96,660,686 ¹	96,765,413 ¹
Cost of sales and operations	9,955,600	30,171,612	116,989,880	87,972,035	56,325,162	54,573,351
Interest paid	388,032	1,166,182	3,440,080	7,789,995	5,442,124	5,916,281
Net income (less deficit)	1,834,315	23,574,833	7,750,561	-2,543,487	2,725,048 ¹	4,111,855 ¹
Net income	2,399,507	24,347,893	10,133,685	6,166,623	6,039,881 ¹	8,581,355 ¹
Deficit	565,192	773,060	2,383,124	8,710,110	5,764,833 ¹	4,469,500 ¹
Regular and alternative tax	1,031,550 ³	11,361,037	3,947,569	1,736,952	1,143,473 ⁴	1,577,438 ⁴
Total income tax after credits ⁵	342,928 ³	1,051,138	1,674,566	557,519	810,619	1,072,854
Distributions to stockholders except in own stock	1,177,550	1,015,895	4,757,780	n.a.	n.a.	n.a.
CONSTRUCTION						
Number of returns, total	138,905	191,219	272,432	318,276	371,169	381,499 ⁶
Number with net income	82,078	108,852	150,368	185,613	222,498	222,350 ⁶
Total assets	42,719,792	76,691,947	132,939,026	215,297,771	222,064,937	241,395,405
Net worth	11,819,604	19,029,077	32,826,174	54,687,270	53,926,258	62,524,744
Total receipts	90,610,644	146,955,117	267,205,356	387,232,953	454,831,094 ¹	499,690,338 ¹
Business receipts	88,945,385	143,412,715	260,387,692	374,590,273	442,491,245	485,711,849
Interest received	219,698	614,583	2,073,650	3,851,628 ²	3,479,339 ²	3,582,186 ²
Total deductions	89,070,022	144,717,309	262,116,275	382,823,113	446,096,648 ¹	488,357,231 ¹
Cost of sales and operations	73,434,969	116,845,554	208,064,925	295,803,244	344,505,785	375,920,136
Interest paid	711,496	1,973,244	4,278,502	6,407,652	6,319,837	6,926,137
Net income (less deficit)	1,538,418	2,236,262	5,271,209	4,370,924	8,700,642 ¹	11,343,920 ¹
Net income	2,548,013	4,514,864	8,911,143	11,053,145	15,360,778 ¹	17,946,717 ¹
Deficit	1,009,595	2,278,602	3,639,934	6,682,220	6,660,136 ¹	6,602,797 ¹
Regular and alternative tax	776,979 ³	1,320,196	2,521,507	2,243,786	2,351,230 ⁴	2,381,580 ⁴
Total income tax after credits ⁵	756,637 ³	1,131,960	1,973,659	1,662,563	2,337,107	2,274,530
Distributions to stockholders except in own stock	299,204	464,553	793,764	n.a.	n.a.	n.a.
MANUFACTURING						
Number of returns, total	197,807	217,354	242,550	276,545	294,211	299,538 ⁶
Number with net income	120,814	136,839	153,640	159,778	169,988	172,955 ⁶
Total assets	612,912,516	944,581,970	1,709,471,700	2,644,393,424	3,111,708,665	3,390,433,557
Net worth	308,923,293	442,587,674	749,186,774	1,099,645,876	1,191,672,658	1,253,269,530
Total receipts	722,952,890	1,296,359,650	2,404,323,844	2,831,062,496	3,141,406,444 ¹	3,348,965,911 ¹
Business receipts	700,090,661	1,258,338,650	2,301,056,550	2,656,345,750	2,946,695,175	3,118,059,530
Interest received	4,748,499	8,691,092	28,315,784	47,753,626 ²	50,334,403 ²	57,663,685 ²
Total deductions	692,455,462	1,230,689,496	2,290,593,808	2,733,105,346	3,012,111,231 ¹	3,169,974,645 ¹
Cost of sales and operations	495,879,549	925,111,030	1,707,143,900	1,797,852,805	2,034,818,784	2,117,827,704
Interest paid	12,570,242	22,055,903	54,177,356	90,452,072	100,783,073	113,699,987
Net income (less deficit)	31,846,078	68,406,627	125,667,815	113,758,645	145,493,891 ¹	205,083,651 ¹
Net income	37,925,489	74,466,554	141,547,510	142,541,119	172,315,960 ¹	232,182,692 ¹
Deficit	6,079,411	6,059,927	15,879,695	28,782,474	26,822,069 ¹	27,099,041 ¹
Regular and alternative tax	16,744,905 ³	32,306,739	59,577,413	55,553,921	56,040,361 ⁴	66,691,829 ⁴
Total income tax after credits ⁵	1,324,226 ³	21,024,964	32,726,986	25,382,459	34,048,160	41,905,883
Distributions to stockholders except in own stock	14,616,282	19,973,061	37,306,509	n.a.	n.a.	n.a.

Table 14.--Corporation Income Tax Returns: Selected Balance Sheet, Income Statement and Tax Items by Industrial Division for Specified Income Years, 1970-1988--Continued

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Industrial division and item	1970	1975	1980	1985	1987	1988
	(1)	(2)	(3)	(4)	(5)	(6)
TRANSPORTATION AND PUBLIC UTILITIES						
Number of returns, total	67,398	80,701	111,324	138,337	147,893	149,248 ⁶
Number with net income	38,204	45,360	62,232	69,938	80,304	78,583 ⁶
Total assets	287,740,207	443,236,797	758,364,400	1,246,426,899	1,352,512,937	1,411,201,395
Net worth	121,205,022	176,444,407	290,655,693	490,481,127	510,064,082	519,388,495
Total receipts	135,495,271	243,480,637	523,807,396	772,358,188	786,179,466 ¹	838,753,393 ¹
Business receipts	131,463,171	234,689,427	507,372,820	733,943,970	736,633,389	779,584,504
Interest received	930,266	1,520,913	5,760,072	12,310,594 ²	12,695,723 ²	14,802,683 ²
Total deductions	127,931,131	233,409,166	503,954,285	747,836,158	749,024,805 ¹	792,540,311 ¹
Cost of sales and operations	77,743,359	143,932,463	336,868,172	381,028,354	339,840,645	356,253,750
Interest paid	7,364,200	13,761,062	27,638,591	44,880,858	47,132,799	50,934,990
Net income (less deficit)	7,543,718	10,099,571	20,046,155	25,087,629	37,166,726 ¹	46,943,801 ¹
Net income	9,471,595	12,088,189	24,917,293	37,880,144	50,070,763 ¹	59,870,499 ¹
Deficit	1,927,877	1,988,618	4,871,138	12,792,516	12,604,037 ¹	12,926,698 ¹
Regular and alternative tax	4,342,334 ³	5,107,158	10,532,722	14,881,470	16,976,595 ⁴	17,089,778 ⁴
Total income tax after credits ⁵	4,036,650 ³	2,836,470	5,322,655	8,432,924	14,769,151	15,429,292
Distributions to stockholders except in own stock	5,837,565	8,900,353	17,329,807	n.a.	n.a.	n.a.
WHOLESALE AND RETAIL TRADE						
Number of returns, total	518,062	614,632	799,628	917,301	971,758	984,553 ⁶
Number with net income	339,987	399,668	487,300	510,825	537,666	562,082 ⁶
Total assets	192,181,800	323,496,726	646,901,005	1,009,965,739	1,177,668,920	1,295,819,375
Net worth	77,002,132	122,649,734	222,289,687	286,260,274	316,458,705	331,968,322
Total receipts	522,547,923	969,938,872	1,955,523,778	2,473,865,453	2,766,717,240 ¹	2,977,982,750 ¹
Business receipts	511,316,883	951,463,550	1,919,347,689	2,408,174,933	2,691,275,402	2,891,336,187
Interest received	1,291,906	3,857,318	10,503,989	21,633,480 ²	22,041,565 ²	24,914,583 ²
Total deductions	512,910,193	947,511,780	1,919,454,218	2,440,403,373	2,728,491,327 ¹	2,935,533,099 ¹
Cost of sales and operations	392,391,856	745,299,204	1,538,128,634	1,869,766,621	2,076,485,794	2,230,936,367
Interest paid	4,309,663	8,587,173	25,645,855	38,217,998	43,641,104	53,360,602
Net income (less deficit)	9,671,044	22,489,430	38,309,671	33,126,702	38,040,057 ¹	42,844,883 ¹
Net income	12,395,411	17,681,721	49,426,500	51,434,500	60,276,175 ¹	66,594,873 ¹
Deficit	2,724,367	5,192,291	11,116,829	18,307,798	22,236,117 ¹	23,749,990 ¹
Regular and alternative tax	4,476,047 ³	8,103,316	13,515,653	16,130,885	14,672,865 ⁴	13,843,495 ⁴
Total income tax after credits ⁵	4,237,181 ³	7,348,619	10,564,358	13,396,555	13,994,767	12,733,094
Distributions to stockholders except in own stock	2,068,501	5,029,897	10,343,087	n.a.	n.a.	n.a.
FINANCE, INSURANCE, AND REAL ESTATE						
Number of returns, total	406,235	411,846	493,426	518,432	521,136	572,418
Number with net income	248,586	243,409	273,853	285,273	275,637	275,198
Total assets	1,401,153,520	2,321,965,956	4,022,206,073	7,029,452,681	8,732,320,235	9,411,547,140
Net worth	196,480,448	269,770,527	530,541,317	1,161,968,009	1,634,925,235	1,779,467,329
Total receipts	177,321,173	315,795,981	697,460,846	1,182,034,309	1,589,218,435 ^{1,7}	1,714,352,381 ^{1,7}
Business receipts	92,091,887	157,126,715	256,892,475	501,993,840	818,286,705 ⁷	860,415,865 ⁷
Interest received	63,694,046	127,040,303	315,146,115	541,268,193 ²	606,143,965 ²	688,751,005 ²
Total deductions	161,630,060	297,963,817	652,637,787	1,104,572,202	1,476,737,395 ^{1,7}	1,596,044,566 ^{1,7}
Cost of sales and operations	48,434,362	84,614,209	129,644,330	237,577,803	470,673,440	501,018,140
Interest paid	34,548,509	77,677,659	219,167,684	363,009,417	364,541,038	415,952,696
Net income (less deficit)	12,214,079	11,663,330	33,122,792	60,670,526	87,403,218 ¹	91,892,954 ¹
Net income	15,081,939	18,825,003	46,040,390	90,546,934	129,179,849 ¹	136,443,479 ¹
Deficit	2,867,860	7,161,673	12,917,599	29,876,408	41,776,631 ¹	44,550,525 ¹
Regular and alternative tax	4,404,449 ³	5,558,647	9,680,755	13,369,981	18,510,796 ⁴	19,918,799 ⁴
Total income tax after credits ⁵	4,150,009 ³	4,673,705	7,699,628	10,193,877	16,342,990	17,858,548
Distributions to stockholders except in own stock	7,387,211	8,729,977	24,692,146	n.a.	n.a.	n.a.
SERVICES						
Number of returns, total	281,218	435,672	671,338	939,390	1,119,604	995,425 ⁶
Number with net income	150,525	249,641	408,716	529,337	619,923	512,464 ⁶
Total assets	61,875,140	90,534,067	178,163,737	330,982,941	435,561,919	530,326,395
Net worth	19,529,062	26,855,374	52,865,513	89,852,365	112,415,645	128,119,335
Total receipts	69,572,626	131,377,364	279,883,187	534,587,609	663,133,101 ¹	695,265,170 ¹
Business receipts	66,459,515	125,747,462	266,088,619	497,980,990	616,469,154	643,748,105
Interest received	435,070	875,506	3,269,412	6,561,301 ²	7,806,764 ²	11,078,904 ²
Total deductions	68,384,452	127,996,443	271,792,974	528,685,613	653,953,599 ¹	686,267,928 ¹
Cost of sales and operations	37,733,747	63,724,869	129,352,692	176,070,808	219,817,625	249,228,959
Interest paid	1,802,802	3,279,438	8,033,612	15,027,259	19,750,647	23,077,104
Net income (less deficit)	1,198,703	3,396,744	8,193,903	5,883,782	9,251,928 ¹	9,276,631 ¹
Net income	3,384,869	6,025,592	13,246,601	21,124,460	27,731,097 ¹	29,951,299 ¹
Deficit	2,186,166	2,628,848	5,052,698	15,240,678	18,479,168 ¹	20,674,668 ¹
Regular and alternative tax	1,058,264 ³	1,625,093	3,497,265	4,621,875	4,858,810 ⁴	4,847,966 ⁴
Total income tax after credits ⁵	1,003,130 ³	1,323,637	2,603,370	3,343,830	4,212,339	4,112,219
Distributions to stockholders except in own stock	558,452	855,402	1,841,945	n.a.	n.a.	n.a.

See notes following Table 20.

Selected Historical and Other Data

Table 15.—Corporation Profits Before Taxes per National Income and Product Accounts (NIPA) and per SOI, and Income Subject to Tax per SOI, Income Years 1960-1990

[All figures are estimates—money amounts are in billion of dollars]

Income year	Profits before taxes (per NIPA) ^{r 1}	Net income (less deficit) (per SOI)	Income subject to tax (per SOI)
	(1)	(2)	(3)
1960.....	51.1	43.5	47.2
1961.....	51.0	45.9	47.9
1962.....	56.4	49.6	51.7
1963.....	61.2	54.3	54.3
1964.....	68.0	61.6	60.4
1965.....	78.8	73.9	70.8
1966.....	85.1	80.5	77.1
1967.....	81.8	78.2	74.8
1968.....	90.6	86.0	81.4
1969.....	89.0	80.2	81.2
1970.....	78.4	65.9	72.4
1971.....	90.1	79.7	83.2
1972.....	104.5	96.8	95.1
1973.....	130.9	120.4	115.5
1974.....	142.8	148.2	144.0
1975.....	140.4	142.6	146.6
1976.....	173.7	185.4	183.5
1977.....	203.3	219.2	212.5
1978.....	237.9	246.9	239.6
1979.....	261.4	284.6	279.4
1980.....	240.9	239.0	246.6
1981.....	228.9	213.6	241.5
1982.....	176.3	154.3	205.2
1983.....	210.7	188.3	218.7
1984.....	240.5	232.9	257.1
1985.....	225.0	240.1	266.1
1986.....	217.8	269.5	276.2
1987.....	287.9	328.2	311.8
1988.....	347.5	413.0	383.2
1989.....	344.5	n.a	n.a.
1990.....	332.3	n.a	n.a.

See notes following Table 20.

Table 16.--Gross Internal Revenue Collections: Amount Collected by Quarter and Fiscal Year, 1986-1991

[Money amounts are in millions of dollars]

Quarter and fiscal year	Amount collected by type of return					
	Total	Individual income taxes ¹	Corporation income taxes ²	Excise taxes ³	Employment taxes ⁴	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1986, TOTAL	782,252	416,965	80,442	33,672	243,978	7,195
October 1985 - December 1985	167,836	86,608	18,854	9,321	51,354	1,699
January 1986 - March 1986	186,178	97,804	16,243	8,175	62,309	1,647
April 1986 - June 1986	240,680	134,129	25,703	8,191	70,687	1,970
July 1986 - September 1986	187,558	98,424	19,642	7,985	59,628	1,879
FISCAL YEAR 1987, TOTAL	886,290	465,452	102,859	33,311	277,000	7,668
October 1986 - December 1986	180,580	92,346	22,466	8,281	55,615	1,872
January 1987 - March 1987	209,032	105,483	22,649	7,925	71,156	1,819
April 1987 - June 1987	285,477	164,008	29,748	8,493	81,139	2,089
July 1987 - September 1987	211,201	103,615	27,996	8,612	69,090	1,888
FISCAL YEAR 1988, TOTAL	945,459	473,667	109,683	36,286	318,039	7,784
October 1987 - December 1987	200,033	97,479	24,828	9,413	66,500	1,813
January 1988 - March 1988	222,721	111,215	22,006	7,578	80,161	1,761
April 1988 - June 1988	298,865	160,018	35,991	9,240	91,426	2,190
July 1988 - September 1988	223,840	104,955	26,858	10,055	79,952	2,020
FISCAL YEAR 1989, TOTAL	1,023,421	515,732	117,015	36,076	345,625	8,973
October 1988 - December 1988	216,133	104,522	29,551	9,272	70,632	2,156
January 1989 - March 1989	238,290	114,475	20,760	8,504	92,587	1,964
April 1989 - June 1989	333,964	180,947	40,825	9,386	100,077	2,729
July 1989 - September 1989	235,034	115,788	25,879	8,914	82,329	2,124
FISCAL YEAR 1990, TOTAL	1,066,515	540,228	110,017	37,289	367,219	11,762
October 1989 - December 1989	222,859	110,077	26,390	8,966	74,982	2,444
January 1990 - March 1990	251,913	127,277	21,433	8,044	92,868	2,291
April 1990 - June 1990	343,951	181,180	37,398	10,808	110,281	4,284
July 1990 - September 1990	247,792	121,694	24,796	9,471	89,088	2,743
FISCAL YEAR 1991, TOTAL	1,092,483	546,877	113,598	36,084	384,451	11,473
October 1990 - December 1990	242,881	118,047	29,248	9,205	83,646	2,735
January 1991 - March 1991	256,949	119,891	22,974	9,897	101,569	2,618
April 1991 - June 1991	335,047	181,949	35,953	7,546	106,426	3,173
July 1991 - September 1991	257,606	126,990	25,423	9,436	92,810	2,947

See notes following Table 20.

Selected Historical and Other Data

Table 17.—Internal Revenue Refunds: Amount Refunded by Quarter and Fiscal Year, 1986-1991

(Money amounts are in millions of dollars)

Quarter and fiscal year	Amount refunded by type of return					
	Total	Individual income taxes ¹	Corporation income taxes ²	Excise taxes ³	Employment taxes ⁴	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1986, TOTAL	94,424	73,078	18,297	962	1,800	287
October 1985 - December 1985	7,948	3,003	4,268	128	488	61
January 1986 - March 1986	25,895	19,950	4,997	320	577	51
April 1986 - June 1986	50,200	44,375	5,058	232	435	100
July 1986 - September 1986	10,381	5,750	3,974	282	300	75
FISCAL YEAR 1987, TOTAL	96,969	73,583	18,891	1,381	1,900	214
October 1986 - December 1986	8,668	3,406	4,789	111	312	50
January 1987 - March 1987	28,422	22,198	5,296	479	393	56
April 1987 - June 1987	50,063	42,858	5,948	332	869	57
July 1987 - September 1987	9,816	5,121	3,858	459	326	52
FISCAL YEAR 1988, TOTAL	94,480	74,399	16,477	1,114	2,263	227
October 1987 - December 1987	7,701	3,437	3,727	207	275	55
January 1988 - March 1988	27,798	21,744	5,248	198	553	55
April 1988 - June 1988	49,202	43,769	3,848	421	1,114	50
July 1988 - September 1988	9,776	5,449	3,654	288	321	67
FISCAL YEAR 1989, TOTAL	93,613	73,597	14,921	2,054	2,771	269
October 1988 - December 1988	8,380	3,362	4,461	118	359	80
January 1989 - March 1989	32,041	26,759	4,462	182	570	67
April 1989 - June 1989	43,538	38,895	3,849	350	381	63
July 1989 - September 1989	9,654	4,581	2,149	1,404	1,461	59
FISCAL YEAR 1990, TOTAL	99,656	76,065	18,324	2,261	2,677	329
October 1989 - December 1989	8,487	3,094	4,605	300	409	79
January 1990 - March 1990	37,121	31,367	4,922	342	423	67
April 1990 - June 1990	43,308	36,952	4,209	549	1,492	106
July 1990 - September 1990	10,740	4,652	4,588	1,070	353	77
FISCAL YEAR 1991, TOTAL	104,380	82,877	17,440	1,188	2,471	404
October 1990 - December 1990	8,284	3,367	4,148	344	323	102
January 1991 - March 1991	38,020	32,811	4,288	293	538	92
April 1991 - June 1991	47,962	41,638	4,748	226	1,249	101
July 1991 - September 1991	10,114	5,061	4,258	325	361	109

See notes following Table 20.

Selected Historical and Other Data

Table 18.—Classes of Excise Taxes by Specified Fiscal Years, 1970-1991

[Money amounts are in thousands of dollars]

Selected class of tax	Taxes collected by fiscal year					
	1970	1975	1980	1985	1989	1990
	(1)	(2)	(3)	(4)	(5)	(6)
ALCOHOL AND TOBACCO TAXES, TOTAL ¹	6,840,594	7,665,948	8,151,184	9,881,293	10,229,638	10,149,541
Distilled spirits	3,469,508	3,851,837	3,927,235	3,501,559	3,862,326	3,774,461
Wine	180,353	172,440	211,493	305,339	270,061	267,665
Beer	1,076,148	1,305,034	1,545,441	1,569,726	1,806,971	1,710,322
Cigarettes and cigars	2,092,935	2,312,342	2,442,357	4,473,210	4,290,280	4,267,013
MANUFACTURERS EXCISE TAXES, TOTAL	6,683,061	5,516,611	6,487,421	10,020,574	11,213,143	11,024,753
Gasoline and gasohol	3,517,586 ²	4,071,465 ²	4,326,549 ²	9,062,630	9,957,579	9,694,512
Tires, tubes and tread rubber ³	614,795	697,660	682,624	242,923	312,829	296,042
Motor vehicles, bodies, parts ⁴	1,753,327	662,556	1,088,696	N/A	N/A	N/A
Recreational products	53,427	84,946	136,521	166,666	224,478	227,221
Black lung taxes	N/A	N/A	251,288	548,356	588,800	649,500
SPECIAL FUELS, AND RETAILERS TAXES, TOTAL ⁵	257,820	404,187	560,144	3,802,608	5,622,564	4,493,712
Diesel and special motor fuels	257,712	370,489	512,718	2,430,165	3,912,604	3,190,281
Truck and trailer chassis and bodies.....	N/A	N/A	N/A	1,289,750	1,258,900	1,169,312
MISCELLANEOUS EXCISE TAXES, TOTAL	2,084,730	3,306,077	6,359,198	11,044,833	9,316,603	8,889,559
Telephone and teletype	1,469,562	2,023,744	1,117,834	2,307,607	2,820,528	3,075,209
Air transportation	250,802	850,567	1,748,837	2,589,818	3,569,447	3,400,513
Highway use tax	135,086	207,663	263,272	456,143	574,698	583,621
Foreign insurance	8,614	19,458	74,630	73,494	63,511	77,089
Exempt organization net investment income.....	N/A	63,828	65,280	136,153	168,814	206,630
Crude oil windfall profit ⁶	N/A	N/A	3,051,719	5,073,159	29,997	-85,839
Environmental taxes ⁷	N/A	N/A	N/A	272,957	1,009,760	1,237,368

Selected class of tax	Taxes collected by fiscal year quarter ending--					
	Dec. 1989	March 1990	June 1990	Sept. 1990	Dec. 1990	March 1991
	(7)	(8)	(9)	(10)	(11)	(12)
ALCOHOL AND TOBACCO TAXES, TOTAL ¹	2,781,735	2,175,944	2,663,967	2,527,895	2,842,423	2,490,951
Distilled spirits	1,138,798 r	806,318 r	1,113,806 r	715,539 r	1,133,439 r	636,326
Wine	94,118	54,033	56,840	62,674	86,671	96,853
Beer	387,642	365,029	446,300	511,351	521,296	654,930
Cigarettes and cigars	1,147,560	945,553	979,920	1,193,980	1,095,944	1,104,106
MANUFACTURERS EXCISE TAXES, TOTAL	2,871,408	2,741,716	2,483,185	2,928,444	3,243,338	3,030,665
Gasoline and gasohol	2,535,410	2,457,312	2,130,973	2,570,820	2,891,308	2,722,915
Tires, tubes and tread rubber ³	82,904	49,804	75,334	88,000	92,500	64,600
Recreational products	53,156	50,527	66,498	57,041	49,733	44,769
Black lung taxes	156,900	157,700	169,500	165,400	161,100	160,600
SPECIAL FUELS, AND RETAILERS TAXES, TOTAL ⁵	1,139,256	1,131,185	1,067,329	1,155,943	1,131,998	1,080,291
Diesel and special motor fuels	807,391	795,360	750,115	837,420	840,310	820,129
Truck and trailer chassis and bodies.....	295,819	303,019	285,473	285,000	262,500	226,100
MISCELLANEOUS EXCISE TAXES, TOTAL	2,061,623	2,009,090	2,561,100	2,769,138	2,913,761	1,789,468
Telephone and teletype	902,758	697,713	720,844	753,893	747,522	716,600
Air transportation	801,217	799,064	810,076	990,156	1,156,766	922,597
Highway use tax	48,819	135,467	94,487	304,848	47,668	132,168
Foreign insurance	15,881	13,202	23,113	24,893	23,000	15,700
Exempt organization net investment income.....	25,518	40,880	80,080	58,474	27,772	28,254
Crude oil windfall profit ⁶	-35,652	-15,987	-204,098	169,878	314,318	-514,132
Environmental taxes ⁷	244,260	243,430	416,393	333,285	524,246	376,871

See notes following Table 20.

Selected Historical and Other Data

Table 19.--Selected Returns and Forms Filed or to be Filed by Type During Specified Calendar Years, 1970-1992

Type of return or form	Number filed in calendar year--						
	1970	1975	1980	1985	1990	1991	1992 (Projected)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Individual income	77,281,384	84,026,785	93,196,076	99,704,246	112,596,000	114,133,835	114,458,133
Form 1040	77,143,251	81,450,279	55,360,030	64,010,068	74,488,600	74,685,853	77,960,400
Nonbusiness	68,129,351	51,377,153	43,957,141	49,873,300	58,318,300	58,067,480	60,704,300
Business	9,013,900	10,073,126	11,402,889	14,136,768	16,170,200	16,618,373	17,256,100
Schedule C	6,351,304	7,438,968	8,944,298	11,767,348	14,149,000	14,626,176	15,187,500
Schedule F	2,662,596	2,634,158	2,458,591	2,369,420	2,021,300	1,992,197	2,068,600
Form 1040A	N/A	22,462,776	37,692,282	18,779,084	18,380,000	21,784,926	19,635,500
Form 1040EZ	N/A	N/A	N/A	16,739,767	19,436,400	17,358,394	16,559,100
Other ¹	138,133	113,730	143,764	175,327	291,000	304,662	303,133
Corporation income	1,772,600	2,132,758	2,675,704	3,437,249	4,319,500	4,374,238	4,509,500
Forms 1120, L, M and PC ²	1,523,664	1,762,920	2,115,542	2,432,265	2,334,600	2,257,779	2,193,400
Form 1120A	N/A	N/A	N/A	199,665	332,000	336,112	365,400
Form 1120S	248,936	367,219	528,070	736,945	1,536,100	1,663,777	1,823,100
Other ³	-	2,619	32,092	68,374	116,800	116,570	127,600
Partnership, Form 1065	991,904	1,132,839	1,401,567	1,755,339	1,750,900	1,652,276	1,643,267
Fiduciary, Forms 1041 and 1041S	1,149,445 ⁴	1,564,200 ^r	1,881,800 ^r	2,124,969	2,680,900	2,778,717	2,933,640
Estate Tax, Forms 706 and 706NA	141,156	225,827	147,303	80,768	60,810	64,632	71,400
Gift Tax, Form 709	146,338	273,184	214,789	97,720	147,700	156,784	173,500
Exempt Organization	387,469	403,809	442,607	454,097	487,400	519,605	574,500
Forms 990 and 990EZ	377,030 ⁵	346,627	362,632	365,506	359,700	384,963	388,200
Form 990-PF	N/A	29,637	33,137	32,005	44,700	46,727	97,100
Form 990-T	5,046	19,683	23,455	26,181	39,100	41,153	42,000
Forms 990C, 4720, and 5227	5,393	7,862	23,383	30,405	43,900	46,762	47,200

See notes following Table 20.

Table 20.--Taxpayers Receiving Assistance, Paid and Unpaid, Tax Years 1986-1990

[Some estimates based on samples--all amounts are in thousands of dollars]

Type of assistance	Tax year				
	1986	1987	1988	1989	1990
	(1)	(2)	(3)	(4)	(5)
Returns with paid preparer signature: ¹					
All returns	48,049	50,991	51,507	52,808	54,499
1040EZ	655	836	887	725	648
1040A	4,135	3,922	4,290	3,885	4,801
1040, total	43,259	46,232	46,330	48,197	49,049
1040 Business, total	11,087	11,398	11,570	12,092	10,723
Nonfarm	9,385	9,824	9,981	10,371	9,025
Farm	1,702	1,575	1,590	1,721	1,697
1040 Nonbusiness, total	32,172	34,834	34,759	36,105	36,629
With itemized deductions	18,732	16,965	14,929	17,002	17,249
Without itemized deductions	12,627	17,868	19,831	19,103	19,380
Electronically filed ²	n.a.	n.a.	n.a.	n.a.	4,715
Assistance provided by IRS:³					
Telephone inquiries	34,655	38,526	36,982	33,906	35,100
Recorded telephone information	10,892	13,405	27,812	22,178	28,880
Office walk-ins, information	7,090	7,408	7,008	7,104	7,173
Written inquiries	169	166	187	172	188
Special programs:					
Community classes and seminars (taxpayers assisted)	903	1,013	952	722	924
Volunteer Income Tax Assistance (VITA) (returns prepared)	337	387	404	466	401
Tax Counseling for the Elderly (returns prepared)	331	377	419	448	496

See notes on following page.

General notations and statement

N/A - Not applicable

n.a. - Not available

p - Preliminary

r - Revised

* - See Appendix, *General Description of Statistics of Income Sample Procedures and Data Limitations*.

Detail may not add to totals because of rounding.

Table 1

[1] Less deficit. Starting 1987, data are not comparable with earlier years because of major changes in the law, many of which are referred to in other footnotes.

[2] Not included in AGI.

[3] Starting 1987, represents total dividends; previously, represented total dividends after statutory exclusion

[4] Starting 1987, losses are after "passive loss" limitation.

[5] Starting 1987, represents total capital gains; previously, represented total capital gains after statutory exclusion. For other changes affecting capital gains, see *Statistics of Income—Individual Income Tax Returns*, various years.

[6] Before 1980 and starting again with 1988, excludes Individual Retirement Arrangement (IRA) distributions; for intervening years, pensions and IRA distributions in AGI were reported together. Effective during 1986, the more liberal of the two methods of computing the nontaxable portion of pensions and annuities (representing taxpayer contributions to certain pension plans) was repealed.

[7] Starting 1987, represents total unemployment compensation; previously, all or part was excludable

under certain conditions.

[8] Excludes sole proprietorship (including farm) rental income or loss. Starting 1987, rental losses are before "passive loss" limitation and, therefore, exceed the amount included in AGI.

[9] Excludes certain royalties included in computations of capital gain or loss and of ordinary gain or loss, sales of noncapital assets.

[10] Amounts for net income are actually for net income (less loss). Net income and loss were not separately tabulated. Also, number of returns shown as with net income were rounded to millions during processing; the more exact number is not available. See also, footnote 4.

[11] See footnote 4.

[12] Includes adjustments not shown separately in Table 1. Starting 1987, excludes employee moving and certain other business-related expenses, deduction for married two-earner couples, and certain alimony payments, but includes self-employed health insurance deduction; see also footnote 13. For changes in adjustments for earlier years, see *Statistics of Income—Individual Income Tax Returns*.

[13] Deductible Individual Retirement Arrangement (IRA) contributions, reflected in adjustment statistics starting 1980, were limited starting 1987.

[14] Includes exemptions for blindness for years prior to 1987.

[15] In general, represents the sum of standard and itemized deductions. For 1980 and 1985 data, includes total itemized deductions before subtraction of "zero bracket amount", plus, for non-itemized deduction returns, the zero bracket amount and, for 1985 data only, charitable contributions deduction. Starting 1987, includes revised itemized deductions (see also footnotes 15-18), "basic" standard deduction and "additional" standard deductions for age 65 and over or for blindness (for changes in the standard deduction and its relation to the zero bracket amount, see *Statistics of Income—Individual Income Tax Returns* for appropriate years). Statistics for 1987-1989 exclude zero bracket

Selected Historical and Other Data

amount reported on the small number of prior-year returns filed in 1988-1990, respectively.

[16] For 1980 and 1985 data, represents "zero bracket amount" used on returns of non-itemizers; see also footnote 21. Statistics for 1987-1989 exclude zero bracket amount reported on the small number of prior-year returns filed in 1988-1990, respectively.

[17] Includes itemized deductions not shown separately in Table 1, including revised deductions, starting 1987, for miscellaneous expenses after limitations and for employee moving expenses; see also footnotes 18-20. For changes in deductions for earlier years, see *Statistics of Income—Individual Income Tax Returns*.

[18] Deductible medical and dental expenses were limited, starting 1987, based on a revised percentage of AGI. For changes in the deduction for 1987 and earlier years, see *Statistics of Income—Individual Income Tax Returns*.

[19] Starting 1987, State sales taxes were no longer deductible.

[20] Starting 1987, deductions for "personal" interest and mortgage real estate loan interest were limited.

[21] For 1980 and 1985 data, taxable income includes the "zero bracket amount," repealed effective 1987 and partially replaced by standard deductions which were *subtracted* in computing taxable income. A standard deduction was similarly used prior to 1980.

[22] Tax rate structure was revised effective 1981-1984 and 1987-1988. Indexing of tax rates for inflation was introduced starting 1985. For other changes affecting tax computation, see *Statistics of Income—Individual Income Tax Returns* for the years concerned.

[23] For 1970, includes surcharge of \$2,018,078,000.

[24] Includes credits not shown separately in Table 1, such as the political contributions credit (repealed effective 1987), earned income credit (liberalized starting 1987), and low-income housing credit (introduced effective 1987); see also footnote 25. For changes in credits allowed for earlier years, see *Statistics of Income—Individual Income Tax Returns*.

[25] Investment credit was included in the more-inclusive general business tax credit starting 1984. With exceptions, investment credit was repealed effective 1986.

[26] Includes income tax after credits, additional tax for tax preferences, i.e., "minimum tax" (applicable for 1970-1982) and "alternative minimum tax" (applicable after 1979 and revised effective 1987).

[27] Includes refunds and credits to the following year's estimated tax and refundable portion of earned income credit. Reflects overpayments of income tax, tax recapture of certain prior-year tax credits, tax applicable to Individual Retirement Arrangements (IRA's), self-employment (social security) tax, social security tax on certain tip income, and certain other income-related taxes (for the taxes applicable to the years shown, see *Statistics of Income—Individual Income Tax Returns*).

[28] Reflects taxes enumerated in footnote 27.

SOURCE: *Statistics of Income—Individual Income Tax Returns*, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 2

[1] Includes returns with adjusted gross deficit.

[2] U.S. totals in Table 2 do not agree with Tables 1 and 3 because they were obtained from a different source. In addition, for purposes of Table 2:

a. "Number of exemptions" also includes responses of taxpayers who checked the boxes on their tax return for age 65 or over or for blindness in order to claim the additional standard deductions for age or blindness. This treatment enables some comparability to be maintained between State data for 1987-1989 and data for years prior to 1987. Number of exemptions are still understated, however, because these boxes are not checked if taxpayers itemize deductions. Prior to 1987, checking these boxes entitled taxpayers to additional personal exemptions.

b. "Itemized deductions" includes any amounts reported by the taxpayer that were not used in computing taxable income.

c. "Total tax liability" includes income tax after credits, alternative minimum tax, tax recapture of prior-year investment or low-income housing credits, tax applicable to Individual Retirement Arrangements (IRA's), self-employment (social security) tax, social security tax on certain tip income, and certain other income-related taxes. Total tax liability is before reduction by earned income credit (see footnotes 1(d) and 3, below).

d. "Earned income credit" includes both the refundable and nonrefundable portions. The nonrefundable portion could reduce income tax and certain related taxes to zero; see also footnote 3.

[3] "Excess earned income credit" represents the refundable portion of the credit (see footnote 1(d)) and equals the amount in excess of total tax liability (defined in footnote 1(c)), including any advance earned income credit payments for those returns which had such an excess.

[4] Includes, for example, returns filed from Army Post Office and Fleet Post Office addresses by members of the armed forces stationed overseas; returns filed by other U.S. citizens abroad; and returns filed by residents of Puerto Rico with income from sources outside of Puerto Rico or with income earned as U.S. Government employees.

NOTE: This table presents aggregates of all returns filed and processed through the Individual Master File (IMF) system during Calendar Year 1991. Data have not been edited for Statistics of Income purposes.

SOURCE: Internal Revenue Service, Tax Systems Division, IMF Returns Systems Branch.

Table 3

[1] There were major changes in filing requirements and conceptual changes in the definitions of adjusted gross income (AGI) and taxable income starting with 1987. Percentages based on AGI starting with 1987 are therefore not comparable with 1986 and earlier years. For explanations, see "Individual Income Tax Returns, Preliminary 1987," *Statistics of Income Bulletin*, Spring 1989, Volume 8, Number 4, and *Statistics of Income—1987, Individual Income Tax Returns*.

[2] Includes income tax after credits and the additional tax for tax preferences, i.e., the "alternative minimum tax" (see footnote 4).

[3] Includes returns with adjusted gross deficit.

[4] In addition to low income taxpayers, this size class (and others) includes taxpayers with "tax preferences," not reflected in adjusted gross income or taxable income, which are subject to the "alternative minimum tax" (included in "total income tax").

SOURCE: *Statistics of Income—Individual Income Tax Returns*, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 4

[1] Imputed interest received by persons from life insurance carriers and private non-insured pension plans.

[2] Represents income of low-income individuals not required to file individual income tax returns, unreported income, and statistical errors or omissions.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, *The National Income and Product Accounts of the United States, 1929-82: Statistical Tables*, 1986 and *The National Income and Product Accounts of the United States, 1959-1988: Statistical Tables*, 1992; for years after 1988, *Survey of Current Business*, various issues. Statistics of Income data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Tables 5 and 6

[1] See Table 4 for the differences between personal income and adjusted gross income.

[2] Beginning with 1987, data are not comparable with earlier years because of major changes in the definition of adjusted gross income.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, *The National Income and Product Accounts of the United States, 1929-82: Statistical Tables, 1986* and *The National Income and Product Accounts of the United States, 1959-1988: Statistical Tables, 1992*; for years after 1988, *Survey of Current Business*, various issues. Statistics of Income data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 7

- [1] Returns with standard deduction, 1955-1988, include a small number with no adjusted gross income and no deductions. (For 1977-1986, standard deduction is the "zero bracket amount," which was also reported on a small number of returns included in the 1987-89 statistics; see footnote 2.) For 1944-1954, returns with no adjusted gross income are included in the number of returns with itemized deductions.
- [2] Amount of standard deduction for 1944-1957 estimated by Joseph A. Pechman, The Brookings Institution, on the basis of the distribution of the number of tax returns by income classes and marital status in *Statistics of Income—Individual Income Tax Returns*; and for 1958-1988 was obtained directly from Statistics of Income tabulations for these years. Represents "zero bracket amount" for 1977-1986. Starting with 1987, represents the sum of "basic" and "additional" standard deductions (for age 65 and over and for blindness); also includes zero bracket amount reported on the small number of prior-year returns filed in 1988-90 that were included in the 1987-1989 statistics.
- [3] For 1977-1986, itemized deductions are before subtraction of "zero bracket amount."
- [4] Sum of standard and itemized deductions, plus charitable deduction reported on standard deduction returns for Tax Years 1982-1986. For 1987-89, total deductions also includes "zero bracket amount" reported on a small number of returns (see footnote 2).
- [5] See footnote 2, Tables 5 and 6.

SOURCE: Except as indicated in footnote 1, *Statistics of Income—Individual Income Tax Returns*, and unpub-

lished tables, appropriate years. Data are subject to sampling error. Tax law and form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 8

- [1] See Table 4 for the differences between personal income and adjusted gross income.
- [2] Taxable income excludes "zero bracket amount" for 1977-1986. Because of major changes in law, taxable income starting with 1987 is not comparable with earlier years.
- [3] For the definition of total income tax, see footnote 26, Table 1.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, *The National Income and Product Accounts of the United States, 1929-82: Statistical Tables, 1986* and *The National Income and Product Accounts of the United States, 1959-1988: Statistical Tables, 1992*; for years after 1988, *Survey of Current Business*, various issues; and *Statistics of Income—Individual Income Tax Returns*, appropriate years. Statistics of Income data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 9

SOURCE: *Statistics of Income—Individual Income Tax Returns*, and unpublished tables, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 10

- [1] Includes disallowed "passive losses." Therefore, business receipts minus total deductions does not equal net income (less deficit).

SOURCE: *Statistics of Income—Sole Proprietorship Returns*, appropriate years, and *Statistics of Income Bulletin*, Summer issues (for most years). Data are subject to sampling error. Tax law and tax form changes

affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 11

- [1] Total assets, total liabilities, and partners' capital account are somewhat understated because not all partnership returns included a complete balance sheet.
- [2] Short-term debt is the abbreviated title given to mortgages, notes, and bonds payable in less than 1 year.
- [3] Long-term debt is the abbreviated title given to mortgages, notes, and bonds payable in 1 year or more. In addition, for Tax Year 1975, long-term debt included nonrecourse loans.
- [4] Prior to 1981, "total receipts" included gross receipts from farming and gross income from rents and royalties. Expenses related to farming, rents and royalties were included under "total deductions." Starting with 1981, only the net income from farming, rents and royalties were included under total receipts. Expenses related to farming, rents and royalties were not tabulated.
- [5] Prior to 1981, if gross rentals were reported as the principal operating income, they were included in "business receipts."
- [6] For 1982-1986, also includes certain dividends. Starting with 1987, represents only portfolio interest distributed to partners.
- [7] After 1980, represents the more all-inclusive amounts reported in depreciation computation schedules rather than the amounts reported as the depreciation deduction (augmented by depreciation identified in cost of sales and operations schedules).

SOURCE: *Statistics of Income—Partnership Returns*, appropriate years, and *Statistics of Income Bulletin*, Summer or Fall issues (for most years). Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the specific Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 12

- [1] Size classes are based on business receipts, i.e. gross amounts from sales and operations, for industries except those in finance, insurance and real estate. For the latter industries, total receipts, which is the sum of business receipts and investment income, was used. For partnerships, comparability of data by size of receipts is affected by revisions to the definition of receipts; see also footnotes 4 and 5, Table 11. To help minimize the break in comparability caused by this change in statistical treatment of farm and rental income, an effort was made for 1981-1987 only, to include rental (though not farm) gross receipts in the receipts used for the size distribution in Table 12. Starting with 1988, only net rentals are reflected in the size distribution.
- [2] Includes returns with no business receipts.
- [3] Includes corporations with zero assets and liabilities. In addition, for partnerships, includes partnerships without balance sheet information (see also footnote 5, below).
- [4] See footnote 4, Table 11.
- [5] Prior to 1979, partnerships that had liquidated were assumed to have zero assets and liabilities, even if their balance sheets showed otherwise, and were included in the "under \$25,000" asset size class. Beginning with 1980, balance sheet data reported for liquidated partnerships were tabulated as reported and were included in the appropriate asset size classes.

SOURCE: *Statistics of Income—Corporation Income Tax Returns*, appropriate years, *Statistics of Income—Partnership Returns*, appropriate years, *Statistics of Income—Sole Proprietorship Returns*, appropriate years, and *Statistics of Income Bulletin*, Summer or Fall issues (for most years). Tax law and tax form changes affect the year-to-year comparability of the data. See the appropriate Statistics of Income reports for a description of sampling error and of the changes mentioned above.

Table 13

- [*] Estimate should be used with caution because of the small number of sample returns on which it is based.

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- [1] Number of returns for 1988 exclude those filed by Foreign Sales Corporations (FSC's) and Interest-Charge Domestic International Sales Corporations (IC-DISC's); see also footnotes 5 and 6, below. Because of the omission of these returns, totals for all income and financial items shown below (except those not applicable to IC-DISC's and FSC's, such as "income subject to tax" and "income tax" and tax credits) are somewhat understated.
- [2] Consolidated returns were filed on an elective basis for affiliated groups of corporations (with exceptions), in general, if 80 percent or more of the stock of the affiliates was owned within the group and a common parent corporation owned at least 80 percent of the stock of at least one of the affiliates.
- [3] Included in "Number of returns, total" and "Number with net income."
- [4] Generally, small corporations with no more than 35 shareholders (10 prior to 1983), most of them individuals, electing to be taxed at the shareholder level.
- [5] Domestic International Sales Corporations (DISC's) were designed to promote U.S. exports. They were taxed through parent corporations, but only when profits were distributed or deemed distributed to them. This system of tax deferral was generally replaced after 1984 with a new system of Foreign Sales Corporations (FSC's); see footnote 6. Tax benefits of DISC's remaining after 1984 were limited and an interest charge for tax-deferred amounts was imposed on the parent corporations.
- [6] Foreign Sales Corporations (FSC's) generally replaced DISC's as a means of promoting U.S. exports (see footnote 5). Under the FSC provisions, a portion of these subsidiaries' "foreign trade income" was exempt from U.S. income tax.
- [7] Starting with 1987, receipts, deductions and net income (or deficit) of S Corporations are limited to those attributable to trade or business. Therefore, investment or portfolio income (or loss), such as from interest, dividends, rents, royalties, and gain (loss) from sales of investment property, and the deductions related to this income, are excluded from net income (and allocated directly to shareholders).
- [8] Starting with 1987, "business receipts" includes the full amount reported by stock and commodity brokers and exchanges, and by real estate subsidiaries, developers and operative builders, even when they bought and sold securities, commodities and real estate on their own account. Previously, such transactions were treated as "net gain (loss), noncapital assets."
- [9] Includes dividends reported in combination with interest on Form 1120-S by S Corporations, i.e., certain corporations that elect to be taxed through shareholders (see footnote 4). Based on prior years, when Form 1120-S required each to be reported separately, nearly all of the combined amount represents interest.
- [10] From 1984 through 1987, "other deductions" includes depletion and employer contributions to pension, profit-sharing, stock bonus and annuity plans, and to employee benefit programs, reported on the Form 1120-A short form. Starting with 1988, identifiable amounts reported on Form 1120-A for any of these items are included in the statistics for the appropriate deduction.
- [11] For most years, "income subject to tax" (the corporate tax base) exceeds "net income less deficit" chiefly because of the deficits reported on returns without net income. Moreover, it is the sum of the several tax bases applicable over time to different classes of corporations, not all of which were directly related to net income. Income subject to tax thus includes the "taxable income" base used by most companies (and defined as net income minus certain statutory special deductions); prior to 1989, a variation of this base in combination with net long-term capital gains in certain situations when the lower capital gains tax applied; the special tax bases applicable to S Corporations and insurance businesses; and the amounts taxable to certain investment companies. Profits of Domestic International Sales Corporations were tax-deferred; most of those of qualifying Foreign Sales Corporations were tax-exempt and those of S Corporations were taxed (with few exceptions) through their individual shareholders, so that the net income of these corporations is excluded from income subject to tax.
- [12] Includes surcharge of \$784,437,000.
- [13] In general, starting with tax years beginning in 1987, the "alternative tax" that provided for a maximum tax

on long-term capital gains that was less than the tax that would have applied if the regular tax rates had been used was repealed.

- [14] Effective with tax years beginning in 1987, the "alternative minimum tax" replaced the "minimum tax" (formerly referred to as the "additional tax for tax preferences").
- [15] General business credit includes alcohol fuel, investment, jobs, and employee stock ownership plan (ESOP) credits which were reported separately for previous years. Also included are the research credit (starting 1986) and the low-income housing credit (starting 1987). With exceptions, investment credit was repealed effective 1986; employee stock ownership plan contributions credit was repealed effective 1987. For changes in definitions of component credits, see *Statistics of Income—Corporation Income Tax Returns*, for the years concerned.

SOURCE: *Statistics of Income—Corporation Income Tax Returns*, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the appropriate *Statistics of Income* reports for a description of sampling error and of the changes mentioned above.

Table 14

- [1] See footnote 7, Table 13.
- [2] See footnote 9 Table 13.
- [3] See footnote 12, Table 13.
- [4] See footnote 13, Table 13.
- [5] Also includes additional tax for tax preferences ("minimum tax"), for years prior to 1987, "alternative minimum tax" starting with 1987; tax recapture of investment and work incentive (WIN) credits, for 1975 and 1980; Personal Holding Company tax; and, beginning with 1987, environmental tax. Credits include those appropriate for the given tax year (see Table 13 and *Statistics of Income—Corporation Income Tax Returns*).
- [6] See footnote 1, Table 13.

- [7] See footnote 8, Table 13.

SOURCE: *Statistics of Income—Corporation Income Tax Returns*, appropriate years. Data are subject to sampling error. Tax law and tax form changes affect the year-to-year comparability of the data. See the appropriate *Statistics of Income* reports for a description of sampling error and of the changes mentioned above.

Table 15

- [1] Profits shown are without inventory valuation and capital-consumption adjustment.

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis, *The National Income and Product Accounts of the United States, 1929-82: Statistical Tables*, 1986 and *The National Income and Product Accounts of the United States, 1959-1988: Statistical Tables*, 1992; for years after 1988, *Survey of Current Business*, various issues; and *Statistics of Income—Corporation Income Tax Returns*, appropriate years. *Statistics of Income* data are subject to sampling error; tax law and tax form changes affect the year-to-year comparability of the data. See the specific *Statistics of Income* reports for a description of sampling error and of the changes mentioned above.

Tables 16 and 17

- [1] Individual income tax collected includes that portion which was designated for the presidential election campaign fund by taxpayers on their returns. Also included is the fiduciary income tax collected (from estates and trusts). Fiduciary income tax collected was \$4.8 billion in 1991, \$5.9 billion in 1990, \$6.0 billion in 1989, \$6.5 billion in 1988, \$8.4 billion in 1987, and \$4.5 billion in 1986. Presidential election campaign designations amounted to \$32.3 million in 1991, \$32.5 million in 1990, \$32.3 million in 1989, \$33.2 million in 1988, \$33.2 million in 1987, and \$35.9 million in 1986.
- [2] Corporation income tax collected includes various taxes applicable to tax-exempt organizations, including the tax on "unrelated business income." Total taxes collected from tax-exempt organizations were \$155.6 million in 1991, \$127.9 million in 1990, \$115.6 million in 1989, \$137.5 million in 1988, \$30.2 million in 1986.

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- [3] Excise taxes are imposed on selected products, services, and activities, such as on sales of alcohol and tobacco products and on the manufacture of gasoline. Statistics shown in Table 16 have been revised starting with Fiscal Year 1988, to include alcohol and tobacco taxes, collection of which was transferred from the Internal Revenue Service to the Bureau of Alcohol, Tobacco and Firearms starting with that year.
- [4] Employment taxes include payroll taxes levied on salaries and wages, such as social security, railroad retirement, and unemployment taxes; plus the social security self-employment tax imposed on "self-employment income."

NOTES: Refunds in Table 17 are associated with the taxes (including alcohol and tobacco taxes) described in footnotes 1-4, Tables 16. Collection (or refunds) are those made during time periods indicated, regardless of the year or other period during which the tax liability was incurred (or to which the refund applied).

Collections represent the gross amounts before refunds and include amounts paid with the return; prior to filing the return (as applicable, income tax withheld by employers and estimated tax payments); and subsequent to filing the return (chiefly the result of initial return processing or of examination and enforcement activities). Collections also include interest and penalties.

Refunds result chiefly from tax overpayments determined at time of filing a return. Also included are amounts subsequently determined as due the taxpayer as a result of an amended return or a claim for refund (including those produced by "net operating loss" and other carryback adjustments from future taxable years); or as a result of initial return processing or of IRS examination and other activities. Individual income tax refunds are net of offsets under laws which require IRS to act as collection agent for delinquent payments owed various U.S. agencies under specific programs. All refund data include interest paid by IRS (\$2.8 billion in 1991, \$2.4 billion in 1990, \$0.5 billion in 1989, \$0.4 billion in 1988, \$0.4 billion in 1987, and \$0.5 billion in 1986).

SOURCE: Internal Revenue Service, Returns Processing and Accounting Division, Accounting Branch.

Table 18

- [1] Alcohol and tobacco taxes each include special (occupational) taxes prior to Fiscal Year 1988.

Starting with Fiscal Year 1988, occupational taxes are excluded from the separate amounts shown for alcohol and for tobacco taxes although they are reflected in the combined total for all alcohol and tobacco taxes.

- [2] Also includes lubricating oil taxes. Effective January 7, 1983, taxes on lubricating oil were repealed.
- [3] Effective January 1, 1984, taxes on tubes and tread rubber were repealed, and dealers holding taxable tires were assessed a one-time floor stock tax.
- [4] Effective January 7, 1983, the excise taxes on parts and accessories for trucks and buses, which are included in this classification, were repealed. Beginning with the quarter ending December 1983, taxes on motor vehicles are excluded.
- [5] Special fuels, total, includes taxes on diesel and special motor fuels which were classified as miscellaneous excise taxes in 1970. Also, beginning with the quarter ending December 1983, taxes on motor vehicles are included.
- [6] Repealed effective August 23, 1988. Amounts reported for more recent time periods result from amended filings, delinquent taxes, examination activities, and refunds.
- [7] Expired September 30, 1985; reimposed in January 1987.

NOTES: For 1970 and 1975, the fiscal year was defined as July of the previous calendar year through June of the year noted. Starting with 1980, the fiscal year was redefined as October of the previous calendar year through September of the year noted.

Starting with Fiscal Year 1988, additional detail on manufacturers' excise taxes, retailers' and special fuel taxes, and miscellaneous excise taxes is available in the fourth quarter "Internal Revenue Report of Excise Taxes"; previously this information was published in the *Annual Report of the Commissioner and Chief Counsel*, Internal Revenue Service. For additional detail on alcohol and tobacco taxes, see the Statistical Release, "Alcohol and Tobacco Tax Collections," Bureau of Alcohol, Tobacco and Firearms, U.S. Department of the Treasury.

SOURCE: U.S. Department of the Treasury, Internal Revenue Service, Returns Processing and Accounting

Division, Accounting Branch; and Financial Management Service.

Table 19

- [1] Includes Forms 1040C, 1040NR, 1040PR, and 1040SS; excludes amended returns (Form 1040X).
- [2] Starting with Calendar Year 1988, includes Form 1120-PC and excludes Form 1120-M.
- [3] Includes Forms 1120F, 1120 POL, and 1120H; starting with Calendar Year 1986, Forms 1120-FSC; and, starting with Calendar Year 1988, Forms 1120-REIT and 1120-RIC; excludes Forms 1120-DISC and IC-DISC, and amended returns (Form 1120X).
- [4] Includes Form 1041A.
- [5] Includes Form 990A.

SOURCE: Internal Revenue Service, Research Division, Projections and Forecasting Group.

Table 20

- [1] Estimates of returns with paid preparer assistance are based on different sources, depending on the year. For 1986, they were obtained by converting the Taxpayer Usage Study (TPUS) sample of individual income tax returns to the equivalent of the Statistics of Income (SOI) sample. (For additional information about the TPUS sample, see, for example, "Taxpayer Usage of Forms 1040, 1040A, and 1040EZ," *Statistics of Income Bulletin*, Fall 1989, Volume 9, Number 2.) The adjustment for 1986 was made because the TPUS sample represented returns filed only through April, while the SOI

sample represented all returns filed during the entire calendar year. Except for counts of electronically-filed returns, data for 1990 covering the entire calendar year were obtained from the IRS Individual Master File (IMF) of all individual income taxpayers; for the counts of electronically-filed returns, see footnote 2. Estimates for 1989 were also based on the IMF, except for the number of returns with or without itemized deductions. For the latter returns, the data were estimated based on the 1989 TPUS sample. All estimates for 1987 and 1988 were based on the SOI samples for those years.

- [2] Data on electronically-filed returns, shown separately for Tax Year 1990, are included in the counts for Form 1040 returns, above in Table 20, for all years. Data for 1990 are based on the TPUS sample (see footnote 1) of returns filed during the first 8 months of 1991. No adjustment was made for returns filed after the first 8 months on the assumption that few were likely to have been electronically filed during this time period.
- [3] Data on IRS Taxpayer Service Programs are collected on a fiscal-year basis. In general, assistance rendered in a given fiscal year may be related to returns due on April 15th during that fiscal year and are for the tax year ending with the previous December. As a result, data in Table 20, which are presented on a tax year basis, are actually for a fiscal year. Therefore, data shown as for Tax Year 1990, for example, are actually for Fiscal Year 1991.

NOTE: Data on IRS assistance represent taxpayer contacts. Some taxpayers make more than one contact. The number of taxpayers assisted (in contrast to the number of contacts made) is not known.

SOURCE: Data on paid preparers were obtained from Statistics of Income and Taxpayer Usage Study samples. Data on IRS assistance were compiled by the Taxpayer Service Division.

Appendix*

General Description of Statistics of Income Sample Procedures and Data Limitations

This appendix discusses typical sampling procedures used in most Statistics of Income (SOI) programs. Aspects covered briefly include sampling criteria, selection techniques, methods of estimation, and sampling variability. Some of the nonsampling error limitations of the data are also described, as well as the tabular conventions employed.

Additional information on sample design and data limitations for specific SOI studies can be found in the separate SOI reports (see the References at the end of this Appendix). More technical information is available, upon request, by writing to the Director, Statistics of Income Division R:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608.

SAMPLE CRITERIA AND SELECTION OF RETURNS

Statistics compiled for the SOI studies are generally based on stratified probability samples of income tax returns or other forms filed with the Internal Revenue Service (IRS). The statistics do not reflect any changes made by the taxpayer through an amended return or by the IRS as a result of an audit. As returns are filed and processed for tax purposes, they are assigned to sampling classes (strata) based on criteria such as: industry, presence or absence of a tax form or schedule, accounting period, State from which filed, and various income factors or other measures of economic size (total assets, for example, is used for the corporation and partnership statistics). The samples are selected from each stratum over the appropriate filing periods. Thus, sample selection can continue for a given study for several calendar years, 3 for corporations because of the prevalence of fiscal (non-calendar) year reporting. Because sampling must take place before the population size is known precisely, the rates of sample selection within each stratum are fixed. This means in practice, that both the population and the sample size can differ from that planned. However, these factors do not compromise the validity of the estimates.

The probability of a return being designated depends on its sample class or stratum and may range from a fraction of 1 percent to 100 percent. Considerations in

determining the selection probability for each stratum include the number of returns in the stratum, the diversity of returns in the stratum, and interest in the stratum as a separate subject of study. All this is subject to constraints based on the estimated cost or the target size of the total sample for the program.

For most SOI studies, returns are designated by computer from the IRS Master File based on the taxpayer identification number (TIN) which is either the social security number (SSN) or the employer identification number (EIN). A fixed and essentially random number is associated with each possible TIN. If that random number falls into a range of numbers specified for a return's sample stratum, then it is selected and processed for the study. Otherwise it is counted (for estimation purposes) but not selected. In some cases, the TIN is used directly by matching specified digits of it against a predetermined list for the sample stratum. A match is required for designation.

Under either method of selection, the TIN's designed from one year's sample are for the most part selected for the next year's, so that a very high proportion of the returns selected in the current sample are from taxpayers whose previous years' returns were included in earlier samples. This longitudinal character of the sample design improves the estimates of change from 1 year to the next.

METHOD OF ESTIMATION

As noted above, the probability with which a return is selected for inclusion in a sample depends on the sampling rate prescribed for the stratum in which it is classified. Weights are, in general, computed by dividing the count of returns filed for a given stratum by the count of sample returns for that same stratum. "Weights" are used to adjust for the various sampling rates used—the lower the rate, the larger the weight. For some studies, it is possible to improve the estimates by subdividing the original sampling classes into "post-strata," based on additional criteria or refinements of those used in the original stratification. Weights were then computed for these post-strata using additional population counts. The

*Compiled by Bettye Jamerson, technical editor. Major contributions were made by Paul McMahan, Mathematical Statistics Team, Coordination and Publications Staff.

data on each return in a stratum are multiplied by that weight. To produce the tabulated estimates, these weighted data are summed to produce the published statistical totals.

SAMPLING VARIABILITY

The particular sample used in a study is only one of a large number of possible random samples that could have been selected using the same sample design. Estimates derived from the different samples usually vary. The standard error of the estimate is a measure of the variation among the estimates from all possible samples and is used to measure the precision with which an estimate from a particular sample approximates the average result of the possible samples. The sample estimate and an estimate of its standard error permit the construction of interval estimates with prescribed confidence that this interval includes the actual population value.

In SOI reports the standard error is not directly presented. Instead, the ratio of the standard error to the estimate itself is presented in decimal form. This ratio is called the coefficient of variation (CV). The user of SOI data may multiply an estimate by its coefficient of variation to recreate the standard error and to construct confidence intervals.

For example, if a sample estimate of 150,000 returns is known to have a coefficient of variation of 0.02, then the following arithmetic procedure would be followed to construct a 68 percent confidence interval estimate:

$$\begin{array}{r}
 150,000 \qquad \qquad \qquad \text{(sample estimate)} \\
 \times 0.02 \qquad \qquad \qquad \text{(coefficient of variation)} \\
 = 3,000 \qquad \qquad \qquad \text{(standard error of estimate)} \\
 \\
 150,000 \qquad \qquad \qquad \text{(sample estimate)} \\
 + \text{ or } - 3,000 \qquad \qquad \qquad \text{(standard error)} \\
 = 147,000-153,000 \quad \text{(68 percent confidence interval)}
 \end{array}$$

Based on these data, the interval estimate is from 147 to 153 thousand returns. A conclusion that the average estimate of the number of returns lies within an interval computed in this way would be correct for approximately two-thirds of all possible similarly selected samples. To obtain this interval estimate with 95 percent confidence, the standard error should be multiplied by 2 before adding to and subtracting from the sample estimate. (In this particular case, the resulting interval would be from 144 to 156 thousand returns.)

Generally in the *SOI Bulletin* only conservative upper limit CV's are provided for frequency estimates. These do, however, provide a rough guide to the order of magnitude of the sampling error.

Further details concerning sample design, sample selection, estimation method, and sampling variability for a particular SOI study, may be obtained on request by writing the Director, Statistics of Income Division, at the address shown above.

NONSAMPLING ERROR CONTROLS AND LIMITATIONS

Although the previous discussion focuses on sampling methods and the limitations of the data caused by sampling error, there are other sources of error that may be significant in evaluating the usefulness of SOI data. These include taxpayer reporting errors, processing errors, and effects of an early cut-off of sampling. More extensive information on nonsampling error is presented in SOI reports, when appropriate.

In transcribing and tabulating the information from the returns or forms selected for the sample, checks are imposed to improve the quality of the resultant estimates. Tax return data may be disaggregated or recombined during statistical "editing" in order both to improve data consistency from return to return and to achieve definitions of the data items that are more in keeping with the needs of major users. In some cases not all of the data are available from the tax return as originally filed. Sometimes the missing data can be obtained through field followup. More often though, they are obtained through imputation methods. As examples, other information in the return or in accompanying schedules may be sufficient to enable an estimate to be made; prior-year data for the same taxpayer may be used for the same purpose; or data from another return for the same year that has similar characteristics may be substituted. Research to improve methods of imputing data that are missing from returns continues to be an ongoing process [1].

Quality of the basic data abstracted from the returns is subjected to a number of quality control steps including 100-percent key verification. The data are then subjected to many tests based on the structure of the tax law and the improbability of various data combinations. Records failing these tests are then subjected to further review and any necessary corrections are made. In addition, the Statistics of Income Division in the National Office conducts an independent reprocessing of a small subsample of statistically-processed returns as a further check [2].

Finally, before publication, all statistics are reviewed for accuracy and reasonableness in light of provisions of the tax laws, taxpayer reporting variations and limitations, economic conditions, comparability with other statistical series, and statistical techniques used in data processing and estimating.

TABULAR CONVENTIONS

Estimates of frequencies and money amounts that are considered unreliable due to the small sample size on which they are based are noted in SOI tables by an indicator. The presence of the indicator means that the sample rate is less than 100 percent of the population and that there are fewer than 10 sample observations available for estimation purposes.

A dash in place of a frequency or amount indicates that no sample return had that characteristic. In addition, a dash in place of a coefficient of variation for which there is an estimate indicates that all returns contributing to the estimate were selected at the 100-percent rate.

Whenever a weighted frequency in a data cell is less than 3, the estimate is either combined with other cells or deleted in order to avoid disclosure of information about individual taxpayers or businesses. These combinations and deletions are indicated in the tables.

NOTES

- [1] See, for example, Hinkins, Susan M., "Matrix Sampling and the Effects of Using Hot Deck Imputation," in *1984 Proceedings of the American Statistical Association, Section on Survey Research Meth-*

ods. Other research efforts are included in *Statistical Uses of Administrative Records: Recent Research and Present Prospects*, Volume 1, Internal Revenue Service, March 1984.

- [2] Quality control activities for all SOI studies will be published in a series of forthcoming reports. These reports will provide detailed information relating to quality in all phases of SOI processing.

REFERENCES

For information about the samples used for specific SOI programs see:

Statistics of Income—1988, Individual Income Tax Returns, (see especially pages 13-16).

Statistics of Income—1988, Corporation Income Tax Returns (see especially pages 7-15).

Statistics of Income—1978-82, Partnership Returns (see especially pages 237-244).

Statistics of Income—1974-1987, Compendium of Studies of Tax-Exempt Organizations (see information about the samples used at the end of each chapter).

Statistics of Income—1984-1988, Compendium of Studies of International Income and Taxes, Foreign Income and Taxes Reported on U.S. Tax Returns (see information about the samples used at the end of each chapter).

SOI Bulletin (see each issue).

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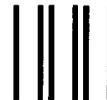
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